



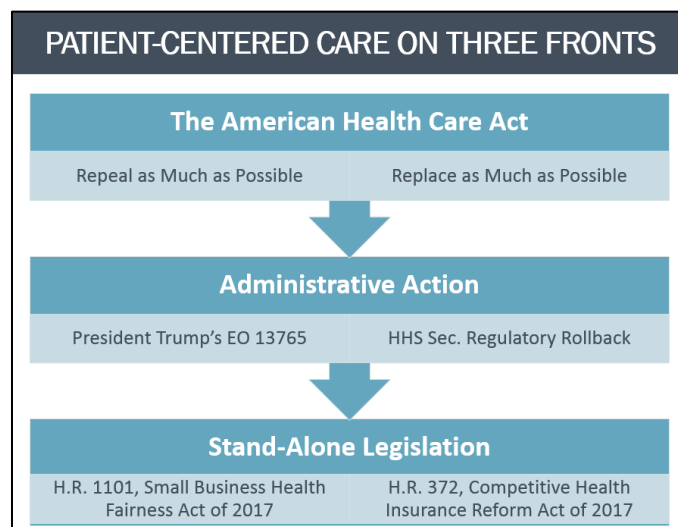
## Budget Digest – Week of March 20<sup>th</sup>

### AN OPPORTUNITY FOR PATIENT-CENTERED HEALTH CARE

The House this week has a rare opportunity to start changing the course of health care in America, replacing Obamacare's central government encroachment with a strategy that puts patients in control, provides more choices, lowers costs, and ensures universal access to health care. Passing the "American Health Care Act" [AHCA], as revised by the proposed Manager's Amendment, is indispensable for establishing truly patient-centered health care.

**A Cornerstone of the Broader Strategy.** The AHCA is one of three fronts for advancing the cause of patient-centered care. It will be supplemented by administrative actions removing the regulatory strictures of Obamacare, and further legislative provisions that cannot be contained in a budget reconciliation bill. These three taken together constitute the full Republican vision of health care; the "American Health Care Act" is a necessary component.

**Key Reforms.** As a reconciliation bill, which cannot be filibustered in the Senate, this measure may contain only provisions that directly affect spending or revenue. The AHCA includes key fundamental reforms, including portable tax credits for purchasing coverage; expanded health savings accounts; a Patient and State Stability Fund that will help stabilize insurance markets; and greater State flexibility in Medicaid to improve the program and ensure its fiscal sustainability.



**Manager's Amendment Improvements.** The Manager's Amendment to the AHCA, to be offered at the Rules Committee, contains several policy changes designed to improve the bill, including some proposed in motions at last week's Budget Committee markup. Regarding Medicaid, the amendment: sunsets, at the end of 2017, the State option to expand Medicaid; allows States to establish work requirements for able-bodied adult Medicaid enrollees; lets States choose between the per capita cap and a flexible Medicaid block grant; and increases the growth rate to cover disabled and elderly Medicaid populations. Additionally, the amendment accelerates the repeal of the Obamacare taxes to be effective beginning this year to provide swifter relief to Americans.