



Contact:

Shakira Croce, Communications Manager
646-757-7052; scroce@amidacareny.org

Amida Care Condemns Tax Proposal That Would Undermine Access to Health Care

New York, New York – November 21, 2017 – Amida Care strongly opposes continued actions by Congress and President Trump’s administration to undermine America’s safety net programs and access to health care. The proposed “Tax Cuts and Jobs Act” in the U.S. Senate and the recently passed House tax bill will cut taxes for large corporations and the extremely wealthy at the expense of hard-working Americans. It exacerbates inequality by raising taxes for the middle class and low-income Americans, increasing health insurance costs, and taking health care away from millions of people.

The “Tax Cuts and Jobs Act” limits deductions for medical expenses, removes tax exemptions that help hospitals and nonprofit organizations, and includes a provision that would repeal the individual mandate that requires all individuals to purchase insurance. By ensuring that healthy people join the insurance pool, the mandate is essential to keeping health care affordable. Without it, health care premiums will skyrocket and an estimated 15 million people will lose coverage.

The tax bill also threatens critical safety net programs such as Medicaid and Medicare. The proposed tax cuts will add \$1.5 trillion to the federal deficit, which will likely be offset with massive cuts to Medicaid and Medicare. Any cuts to Medicaid will hurt those most in need. Medicaid is not welfare. It helps keep workers healthy and lowers costs for small businesses; 60 percent of Medicaid recipients are working. Without access to Medicaid, many people have no choice but to visit the emergency room more frequently, are hospitalized more often, require costly nursing homes, rack up higher medical bills, and get pushed into poverty. Those higher costs are ultimately passed on to the government, insurers, and taxpayers – meaning that these short-sighted tax cuts would add an even greater tax burden down the road.

“This ill-conceived tax bill sacrifices the needs of millions of Americans in order to cut taxes for the wealthy,” said Doug Wirth, President and CEO of Amida Care. “Paying for this massive transfer of funds by cutting safety net programs will hurt those most in need, like the 74 million hard-working Americans, including veterans, women, seniors, children, and people with chronic conditions like HIV and diabetes, who count on Medicaid for health insurance. We are also deeply troubled by the repeal of the individual mandate, which will lead to sky-high premiums.”

The tax bill’s efforts to undermine health coverage are just one part of the latest round of attacks on health care. President Trump recently decided to withdraw federal assistance to purchase health insurance, and the administration has implemented regulations that decrease patient protections and make getting and keeping health insurance more difficult.

Amida Care is particularly troubled by the recent decision by the Centers for Medicaid and Medicare Services (CMS) to approve State waivers that implement work requirements for Medicaid recipients. This decision violates Medicaid's core mission to provide comprehensive health coverage to low-income people so they can get the health care they need. Sixty percent of Medicaid recipients are already working, 18% are in school, 33% are disabled, and 28% are taking care of a sick or elderly family member. Work requirements will not help them find or keep a living-wage job, and losing Medicaid will only make their economic situations worse. Instead of creating requirements that prevent people from getting the care they need, CMS should work with states to invest in evidence-based employment services to ready people for the job market and help them find and keep living-wage jobs.

Amida Care urges Congress to reject the current tax bill and instead work together to find meaningful bipartisan solutions. Senator Lamar Alexander (R. TN) and Patty Murray (D. WA) have demonstrated that putting the health of Americans above political interests is possible. Their bill to stabilize the health insurance marketplace and help Americans afford health insurance is a model to help improve access to health care while fixing the shortcomings of the current system.

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