



March 21, 2017

Dear Member of Congress,

As we know you will agree, there are improvements needed to the Affordable Care Act (ACA). Consumers struggle with affordability and many see the merits in having more competition among plans and insurers. However, the American Health Care Act (AHCA) would create far more problems than solutions. In fact, we believe it will fundamentally erode the Medicaid program that millions of Americans – and 1.8 million New Jersey residents – depend on. We have come together to ask you to oppose the AHCA.

The score from the Congressional Budget Office (CBO) was alarming. In the next decade, 24 million Americans would lose their coverage and 14 million would do so in the next year. There are 800,000 New Jersey residents who are covered either on Marketplace plans or through Medicaid expansion. The increase of 800,000 additional uninsured lives would be catastrophic to the health systems throughout New Jersey. People would return to the days of using emergency rooms in place of primary care providers, and they would delay care thus showing up sicker and needing more costly interventions. Our state charity care funding has been cut year after year since the passage of the ACA. However, these cuts far outpace the reduction in the number of the uninsured, even if the ACA were to stay in place exactly as it is today. Should these 800,000 lives come back into the charity care pool, we anticipate a \$1.1 billion impact to providers.

Perhaps most chilling would be the long-term effects to the Medicaid program. The AHCA needlessly implements a per capita cap to the Medicaid program. The CBO reports that this will reduce federal funds to the states by \$880 billion. States will not be able to shoulder the burden of these cuts and will likely be forced to reduce services to beneficiaries. In New Jersey, there are 1.8 million lives depending on Medicaid. These are children, seniors, the blind and the disabled. They represent the working poor and struggling middle class – 80% of adult and child Medicaid enrollees are in a family with a worker, according to reporting from the Kaiser Family Foundation.

The financial impact to New Jersey would ripple beyond health care providers and those who lose their coverage. New Jersey Policy Perspective estimates that the state stands to lose \$4.2 billion in federal matching funds if the ACA is rolled back. This will create a huge financial crisis in New Jersey.

From coverage for patients to economic stability for providers, the AHCA is the wrong approach to address the healthcare needs of New Jersey and this country. We've joined together to share our collective concerns with you, representing our state's 71 acute care hospitals, their 144,000 employees and the millions of people who rely on us for care. Please slow down, take the time to let the public and stakeholders engage in dialogue with your offices, and find an alternate path to reform. People's lives and livelihoods are stake. Please vote 'no' this Thursday on the AHCA.

Respectfully,

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