



Health Care Reform and Veterans

HOW DO VETERANS ACCESS HEALTH CARE?

Today, there are roughly 20 million veterans in the United States. Of those veterans, approximately nine million – along with 708,000 non-veterans covered by various VA benefits – are enrolled in the Department of Veterans Affairs (VA) health care system. In addition, over 1.7 million veterans rely on Medicaid, a critical program that provides care and long-term supports for eligible low-income veteran families and veterans with disabilities, among others. Approximately 40 percent of those veterans are between the ages of 18 and 64 and have no other source of health coverage. In addition, as of 2015, over 600,000 veterans' spouses were enrolled in Medicaid, demonstrating the importance of that program in supporting many veteran caregivers.

HOW DOES THE U.S. HOUSE-PASSED HEALTH CARE BILL NEGATIVELY IMPACT VETERANS?

The Consortium for Citizens with Disabilities (CCD) Veterans Task Force advocates for legislation and policies affecting veterans with disabilities. The CCD Veterans Task Force is concerned that changes being proposed to America's health care system do not consider the impact of those changes on veterans with disabilities within the VA as well as the many veterans who, for various reasons, do not engage with the VA health care system. The American Health Care Act (AHCA) passed by the U.S. House of Representatives would negatively impact the ability of veterans, including those with disabilities, to access critical care and supports in the following ways:

- **Cuts Medicaid Home and Community-Based Services for Veterans & Others:** The Medicaid changes proposed in the U.S. House-passed AHCA will be particularly devastating to many veterans with disabilities and their families. AHCA cuts traditional Medicaid by offering capitated Medicaid funding to states and by eliminating the Community First Choice (CFC) program in 2020. CFC provides a 6 percentage-point increase in the federal Medicaid matching rate for states who provide attendant care and other specified home and community-based services. The Congressional Budget Office estimates that the elimination of Community First Choice will result in a \$12 billion cut (over the next 10 years) for direct community supports that currently help individuals with disabilities remain independent. These specialized supports help individuals with disabilities, including veterans, to remain in their homes and reduce institutionalization.
- **Denies Veterans Access to Tax Credits if Eligible for VA Coverage:** The AHCA denies veterans access to health insurance tax credits for veterans who are "eligible" for coverage under VA or other federal health programs. This would prevent many veterans who may be "eligible for" but not enrolled in the VA health care system from accessing these tax credits intended to help people buy insurance.



- **Creates New Access Barriers for Veterans with Pre-Existing Conditions:** The AHCA's state waiver provision would, broadly speaking, allow the reinstatement of policies permitting higher insurance premiums for people with pre-existing conditions and the elimination of crucial services for people with disabilities such as prescription drugs, rehabilitative and habilitative services and devices, preventative and wellness services and chronic disease management. Veterans with disabilities who reside in states that obtain these waivers could be exposed to vastly greater health care costs.
- **Phases Out Health Care Coverage for Veterans Who Benefit From Medicaid Expansion:** The AHCA also weakens Medicaid by phasing-out the Medicaid expansion. Data from the Urban Institute shows expansion has helped thousands of veterans and their family members move from the ranks of the uninsured. According to an analysis of American Community Survey data, about 340,000 veterans throughout the country have obtained health insurance coverage through the Medicaid expansion.
- **Misses Opportunity to Correct CHAMPVA Dependent (under 26) Coverage Oversight:** The AHCA retains positive aspects of the current system, such as the continuation of dependent insurance coverage up to age 26, and premium tax credits to make insurance affordable. However, without changes to current policies, dependents of the most catastrophically disabled veterans on CHAMPVA are barred from the dependents' coverage policy up to age 26. Moreover, without changes to the House-passed bill, certain veterans will be denied those tax credits.

OUR POSITION:

The CCD Veterans Task Force believes that Congress must be mindful of the impact that their actions can have on millions of veterans who rely on a wide range of health care programs.

- Congress should take a more thoughtful, deliberative and bipartisan approach that protects veterans with disabilities from discriminatory insurance practices, treats CHAMPVA dependents equitably and doesn't inadvertently deny affordability insurance tax credits to millions of veterans.
- Congress should address the health care barrier faced by many veterans that prohibits certain veterans above a very modest income threshold from enrolling in the VA health care system. Many of these veterans fall within the parameters of the Medicaid expansion. Unless the VA or Congress act to open up the VA health care system to all Priority Group 8 veterans, many of those who served this country honorably will continue to be denied access to the principal health care system for veterans.