

# *The Future of the Affordable Care Act and Healthcare*

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# ACA What Worked:

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- **Increased insurance coverage (Starting 2014)**
- **Patient access**
- **Payments**

# ACA What Didn't Work:

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- **Undocumented immigrants ineligible for Medicaid expansion or exchange coverage**
- **Charity care payments slashed 54 percent**
- **Price tag (federal cuts starting in 2010)**

# What's Coming

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- **Repeal of the Affordable Care Act**
- **Replacement of the Affordable Care Act**
- **Block Grants/Per Capita Caps**



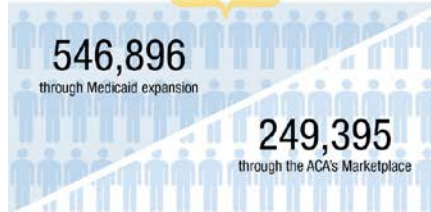
## REPEAL & REPLACE/ BLOCK GRANT COMPENDIUM

- Preserve coverage for **800,000** New Jersey residents
- If ACA is repealed, ensure simultaneous replacement
- If ACA is repealed without simultaneous replacement, restore funding
- Maintain Medicaid services for **1.8 million** New Jersey residents

ACA REPEAL:  
What's **At Stake** in the Garden State?



Insurance coverage for  
**796,291**  
people



## Billions

in healthcare funding, past and future

FOR HOSPITALS:



FOR POST-ACUTE PROVIDERS:



\$795 million  
in premium tax credits to help  
N.J. residents pay for  
insurance premiums

\$4.4 billion  
in Medicaid federal matching  
dollars for the N.J. state budget



**86,400 jobs**

THE COMMONWEALTH FUND REPORTS:

1/3 would be healthcare jobs;  
2/3 would be in other fields including construction,  
real estate, retail and insurance.

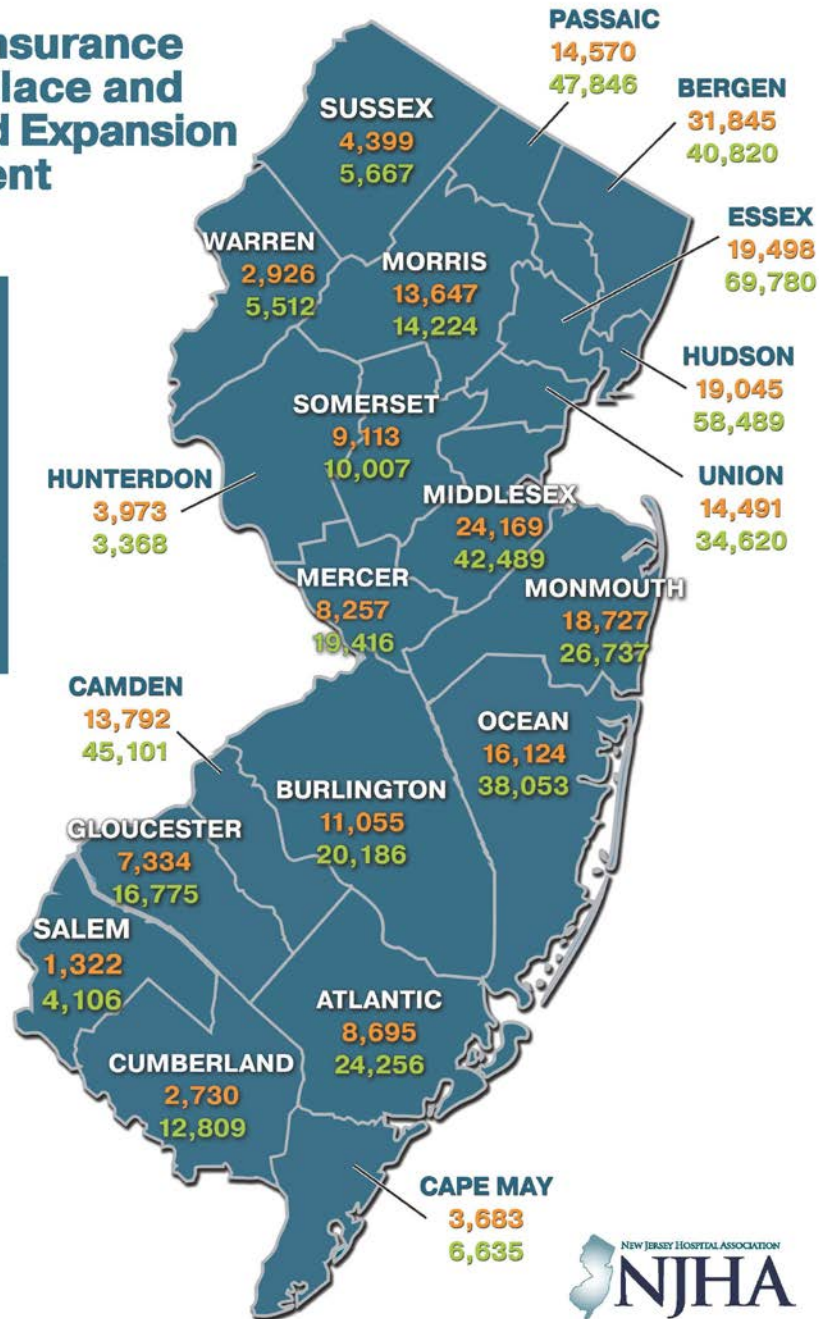
# Health Insurance Marketplace and Medicaid Expansion Enrollment 2016

**STATEWIDE**  
**249,395**  
**546,896**

**TOTAL**  
**796,291**

Total enrolled in marketplace plans

Total enrolled in Medicaid Expansion





# BLOCK GRANTS



# Block Grants Versus Per Capita Cap

## ■ **Block Grants**

- Imposes a national cap on Medicaid funding
- States receive a fixed amount for Medicaid
- Federal funds will not flex up during economic downturns
- Provides states more flexibility

## ■ **Per Capita Cap**

- Imposes a limit on federal funds to states per enrollee
- Cap amount could be in aggregate or by eligibility group:
  - ❖ Adults
  - ❖ Children
  - ❖ Disabled
  - ❖ Aged
- Funding will adjust by number of people served



# Block Grant / Per Capita Cap Outcomes

- **States Could:**
  - Restructure benefits
  - Impose co-pays
  - Establish waiting lists
  - Reduce payments to providers

# Total Medicaid Enrollment by County

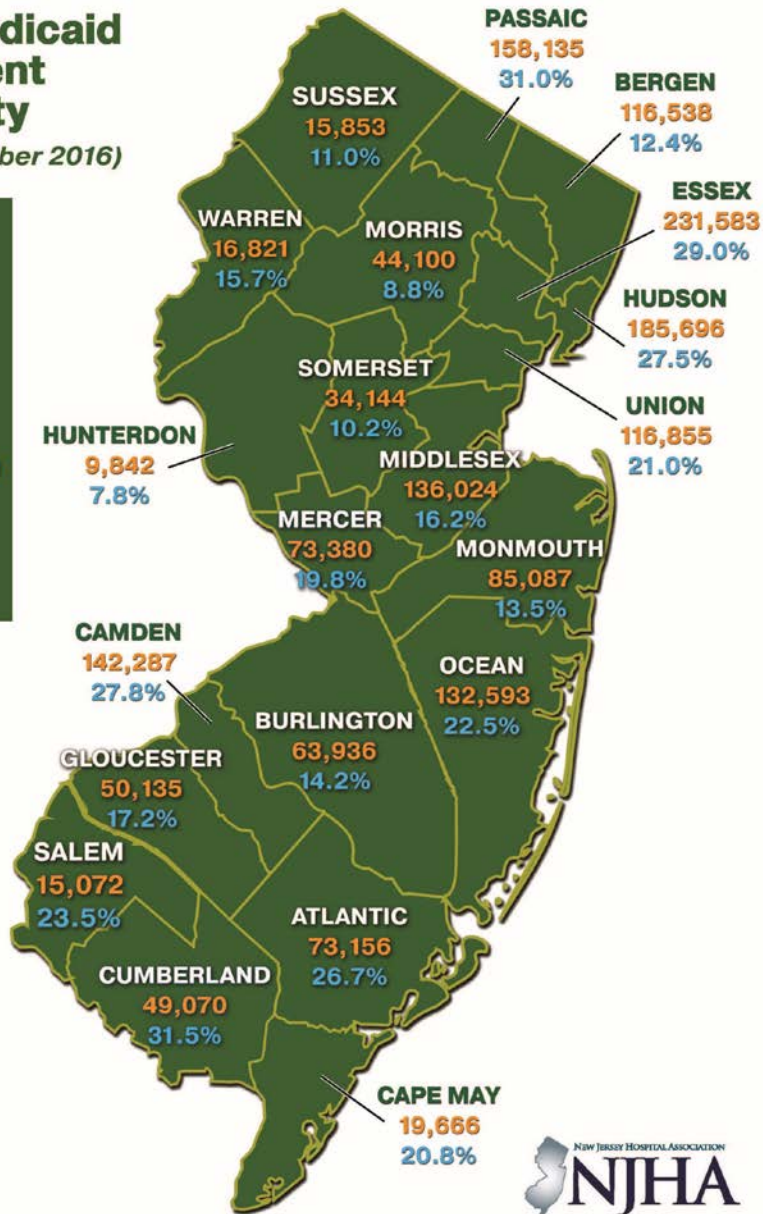
(as of December 2016)

**STATEWIDE TOTAL\***

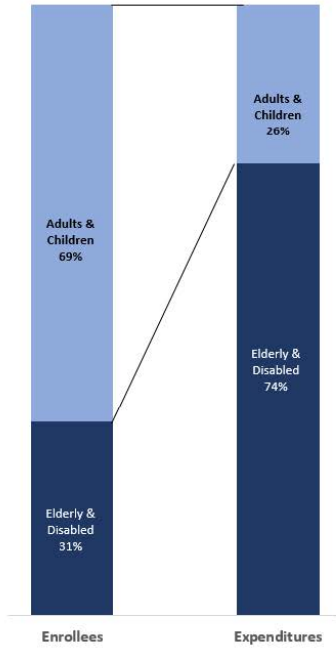
**1,771,672**  
Total Medicaid enrollees

**19.8%**  
% of county population enrolled in Medicaid

*\*Total includes 1,699 enrollees not classified into a county*



**Most Medicaid beneficiaries in NJ were children and adults, but most spending was for the elderly and people with disabilities.\***



**208,300**

Medicare beneficiaries (16%) in NJ rely on Medicaid for assistance with Medicare premiums and cost-sharing and services not covered by Medicare, particularly long-term care.

**45%**

of Medicaid spending in NJ is for Medicare beneficiaries

\*2011



## Balance of Payments Analysis

According to a recent study that ranks states according to their level of dependency on federal funding, New Jersey ranks 49<sup>th</sup> out of 50. The March 2016 analysis by Washington, D.C.-based WalletHub identifies New Jersey as the second-least federally dependent state in the country. The study defines *State Residents' Dependency* as the weighted average of each state's "Return on Taxes Paid to the Federal Government" (75%) and "Share of Federal Jobs" (25%). The five least federally dependent states are:

State	'State Residents' Dependency' Rank
New York	46
Illinois	47
Minnesota	48
<b>New Jersey</b>	<b>49</b>
Delaware	50

**Source:** WalletHub, *2016's Most & Least Federally Dependent States*, March 29, 2016 (<https://wallethub.com/edu/states-most-least-dependent-on-the-federal-government/2700/>)

# TIME FOR QUESTIONS

