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The Affordable Care Act Is A Lifeline For Pennsylvanians During The COVID-19 Crisis And Beyond

Eleven years ago, the Affordable Care Act (ACA) became the law of the land and millions of Americans gained coverage and critical protections as a result. Because of the ACA, more than 20 million Americans gained health coverage, including an estimated 1,097,425 in Pennsylvania. After four long years of Republican efforts to repeal and sabotage the law, President Biden and Democrats in Congress are now building on the strong foundation of the ACA to expand coverage, lower costs, and reduce racial disparities in health care. These steps are essential as millions have lost their jobs and their health insurance during the COVID-19 pandemic.

Where U.S. Health Care Stands 11 Years After The Affordable Care Act:

- **GAINED**: Protections for 135 million Americans with pre-existing conditions.
- **GAINED**: Medicaid expansion, which covers 15 million people.
- **GAINED**: Nearly 12 million seniors pay less for prescription drugs.
- **GAINED**: 2.3 million adult children are able to stay on their parents' insurance.
- **GAINED:** Three million children nationwide gained coverage.
- **GAINED**: Insurance companies are banned from charging women 50 percent more than men.
- **GAINED**: Financial assistance that helps 9 million people purchase coverage.
- **GAINED**: Key support for rural hospitals.
- **GAINED**: Ban on insurance companies having annual and lifetime caps on coverage.
- **GAINED**: Requirements that insurance companies cover prescription drugs and maternity care.
- **GAINED:** Improved access to care and financial security for families.

11 Years Later: 11 Ways The Affordable Care Act Helps Pennsylvanians:

1. **331,825 Pennsylvanians gained comprehensive health coverage on the ACA marketplaces.** In 2020, 331,825 Pennsylvanians were enrolled in comprehensive health coverage through the ACA marketplaces.

2. **Tax credits are available to help people afford coverage.** Because of the ACA, most people getting coverage on the marketplaces qualify for tax credits to help pay for their premiums. 266,152 people in Pennsylvania received these tax credits to pay for coverage in 2019.

3. **Expanded Medicaid coverage to 765,600 Pennsylvanians.** In 2019, 765,600 Pennsylvanians were covered by Medicaid expansion. Research confirms that Medicaid expansion increases access to care, improves financial security, and leads to better health outcomes.

4. **Insurers can no longer deny or drop coverage because of a pre-existing condition.** Because of the ACA, insurers in the individual market can no longer drop or deny coverage, or charge Pennsylvanians more, because of a pre-existing condition. Roughly 5,253,600 Pennsylvanians have a pre-existing health condition, including 634,900 Pennsylvania children, 2,574,000 Pennsylvania women, and 1,366,200 Pennsylvanians between ages 55 and 64. Without the ACA,

Pennsylvanians who have contracted COVID-19 would likely be deemed as having a pre-existing condition and be at the mercy of their insurance companies who could refuse to pay for needed care.

5. **Insurers can no longer overcharge Pennsylvanians.** Insurance companies are required to issue rebates when they overcharge Pennsylvanians. In 2019, insurance companies returned $166,262,469 to policyholders in Pennsylvania.

6. **Young adults can stay on their parents' plan until age 26.** Because of the ACA, roughly 89,000 in Pennsylvania have coverage because they can stay on their parents' plans until age 26.

7. **Free preventive care.** Because of the ACA, health plans must cover preventive services — like flu shots, cancer screenings, contraception, and mammograms – at no cost to consumers. This includes more than 6,127,383 Pennsylvanians, most of whom have employer coverage.

8. **Comprehensive coverage.** Because of the ACA, insurers have to cover what are known as "essential health benefits," such as maternity care, prescription drugs, and substance abuse and mental health treatment. Additionally, insurers can no longer put annual or lifetime limits on the care you receive.

9. **Women are no longer charged more than men.** Because of the ACA, insurers can no longer charge women more than men for the same care.

10. **Helping seniors afford prescription drugs.** Thanks to the ACA, the Medicare prescription drug "donut hole" is closed. From 2010 and 2016, 275,604 Pennsylvania seniors saved an average of $1,137 per beneficiary.

11. **Improved access to care and financial security.** Between 2010 and 2018, the share of non-elderly adults with a problem paying a medical bill fell by 17 percent, the share who didn't fill a prescription fell by 27 percent, the share who skipped a test or treatment fell by 24 percent, and the share who didn't visit a provider when needing care fell by 19 percent.

The American Rescue Plan To Further Expand Coverage, Dramatically Reduce Health Care Costs For Pennsylvanians

On March 11, President Biden signed the American Rescue Plan, historic legislation that includes measures to expand coverage and to dramatically lower the cost of premiums for Pennsylvanians. The American Rescue Plan lowers the cost of premiums for Pennsylvanians purchasing coverage through the ACA marketplaces, ensuring enrollees have the option to purchase health care for less than 8.5 percent of their income for the next two years. The American Rescue Plan also provides robust financial incentives for the 14 states that have not yet implemented Medicaid expansion. This legislation will:

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- **Make coverage more affordable for middle class Pennsylvanians** by temporarily expanding the eligibility for premium tax credits above 400 percent of the federal poverty level— roughly $51,000 for a single person or $105,000 for a family of four. Under current law, families earning just above 400 percent of the federal poverty level spend an average of 15 percent of their incomes on health insurance.

  - A 45-year-old Pennsylvanian earning $60,000 will save $89 in monthly premiums.
  - A 60-year-old Pennsylvania couple with a household income of $75,000 will save $1,402 in monthly premiums.
  - A Pennsylvania family of four with a household income of $120,000 will save $605 in monthly premiums.

- **Improve affordability for low- and middle-income Pennsylvanians** by increasing the size of the tax credits for all income brackets for the next two years**.** This means a typical family of four with a household income of $75,000 will save $248 on monthly premiums, while a single adult earning $30,000 will save $110 per month.

- **Eliminate premiums** in the exchanges for people earning up to 150 percent of the federal poverty level (roughly $19,000 for a single person and $39,000 for a family of four) and for Pennsylvanians receiving unemployment insurance in 2021. According to Families USA, 171,000 uninsured workers relying on unemployment insurance in Pennsylvania stand to benefit from this extension of premium subsidies.

- **Incentivize Medicaid expansion** by providing robust financial incentives for the 14 states that have not yet implemented Medicaid expansion. Medicaid expansion has played a vital role in reducing racial disparities in health care access and has served as a critical safety net during the pandemic. An estimated four million uninsured adults — including 640,000 frontline workers — could gain coverage if the remaining holdout states adopted expansion. Importantly, people of color make up nearly 60 percent of this group.