

# The American Health Care Act would leave many older Californians without health care.

The American Health Care Act (AHCA) would make it harder for older adults in California to afford the health care they need. Under the AHCA:

## Older Californians may lose access to nursing home care, home health care, and other services that help them maintain their independence.

- Proposed cuts to Medicaid would slash federal funding by \$880 billion, forcing states to cut important services for older adults, such as long term services and supports.
- Medicaid is the primary payer for 62% of nursing facilities in California.
- Approximately 778,118 Californians received long-term services and supports through Medicaid.
- About 9.7% of California's Medicaid beneficiaries are older adults; approximately 1,541,000 people ages 50-64 and 1,138,000 seniors in California benefit from Medicaid.
- The proposed Medicaid cuts will grow over time, making it hard for California to meet the needs of its growing aging population. By 2025, the number of Californians over age 65 is expected to grow by 39.3%. The number of Californians over 85, a population that relies on long term services and supports, is expected to grow by 24.2%.

## Older adults may not be able to afford to pay their health insurance premiums.

- As of 2016, 399,000 Californians ages 50-64 received tax credits to purchase coverage through the Marketplace. Nationwide, one in four people (26%) enrolled in Marketplace plans are ages 55-64.
- For a 60-year-old living in Sacramento, California with an income of \$30,000/year, insurance premiums paid after tax credits could increase by \$10,710 in 2020.
- By changing the 3:1 limit on age rating to 5:1 (or higher if state law permits), premiums for older adults would increase relative to younger adults. This "age tax" by itself would raise premiums in California by \$1,936 annually for a 60-year-old.
- The proposed bill also rolls back expanded Medicaid coverage, which currently provides affordable health care to 3,541,700 Californians, including many 50- to 64-year-olds.

## There would be fewer resources to fund Medicare.

- AHCA includes a huge tax cut, totaling \$117 billion, for wealthy individuals that will harm Medicare's financing in the short and long term, putting people with Medicare at risk for benefit cuts.
- AHCA opens the door to premium support (or vouchers) which would likely put the 19% of Californians ages 50-64 at risk for paying higher out-of-pocket costs once they enroll in Medicare.
- Older Californians can't afford to pay more for health care. The median personal income among Californians ages 65 and older in 2015 was \$20,580.

