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## **ACA Repeal Plan Jeopardizes New Mexicans' Healthcare, Economic Recovery**

*Statement by Sireesha Manne, Healthcare Supervising Attorney at the New Mexico Center on Law and Poverty*

We call upon our elected leaders to strongly oppose the U.S. House's reckless legislation to repeal the Affordable Care Act. It would threaten the healthcare system providing coverage to nearly half of all New Mexicans and, which experts agree, has been one of the few bright spots in the state economy.

New Mexico's low income and rural communities would be especially hard hit. Our state would be forced to cut Medicaid coverage or ration services for hundreds of thousands of children, people with disabilities, the elderly, and low income adults. Two thirds of our children in New Mexico are enrolled in Medicaid, and the program is the primary payer for nursing homes and community-based long-term services and supports for people with disabilities

Alarming, the bill is currently rushing through the House for a vote without public hearings. The lack of transparent, public debate is unacceptable for a bill that would endanger so many lives, exacerbate poverty, and inflict long-lasting damage on our healthcare system. Our families deserve to know the critical facts and their full impact.

The House proposal would make deep cuts to Medicaid by reducing and permanently capping federal funding for the program and for each person enrolled in Medicaid. This includes phasing out enhanced federal funding for the Medicaid Expansion that gained coverage for over 260,000 New Mexicans – reneging on the federal government's promises to support state expansion of coverage for low-income adults. The legislation unfairly shifts billions of dollars of costs to the states.

The results would damage the entire healthcare system, especially in rural areas that have struggled with practitioner shortages. Already Medicaid payments to healthcare clinics, nursing homes, and safety net hospitals have been cut in the recent years due to state budget shortfalls and are too low to support even the basic costs of services. More practitioners are refusing to see Medicaid patients and thousands of jobs have been lost in the healthcare field. The damage from Medicaid cuts would be very difficult – if not impossible – to reverse if federal support is limited by funding caps.

Healthcare coverage will become unaffordable for low-income families, pricing thousands of New Mexicans out of the health insurance market. The bill will shrink tax credits given to families to help buy health insurance by \$1,600 per year on average and much more for many older consumers and lower income families, according to the Center for Budget and Policy Priorities. People that cannot keep up with the premiums will also be punished with a 30 percent surcharge to their insurance rates if they miss payments.

New Mexico's economy will be threatened by this legislation. Medicaid supports over 50,000 jobs from federal funding that tops \$4.5 billion each year. The expansion of Medicaid under the Affordable Care Act added over 5,000 jobs. Healthcare became a leading sector of job growth in an otherwise stagnant economy.

New Mexico has struggled with one of the highest unemployment rates in the country. We would see thousands more jobs lost and a downsizing of the healthcare system with cuts to federal support for Medicaid and health insurance subsidies.

The legislation gives tax cuts to the wealthy, big insurance, and pharmaceutical companies by making deep cuts to Medicaid, reducing funding for Medicare, and getting rid of financial subsidies that are targeted for hard working, low income families. In other words, tax cuts for the rich are being paid for by taking away healthcare coverage from the poor.

We ask our leaders to carefully weigh the consequences of this proposal and listen to the views of the public. A recent poll has found that most voters in the state do not want to repeal the Medicaid Expansion. Nearly three-quarters of New Mexican voters oppose reducing federal funding for Medicaid. Overall, four out of five voters believe Medicaid is important or "very important" to our residents.

The Affordable Care Act led to historic achievements in New Mexico by cutting our uninsured rate in half. Over 95 percent of our children now have healthcare coverage. We cannot afford to go backwards and lose the substantial progress we have made.

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