

# The *Better Care Reconciliation Act* Is Bad for Lower Income Cancer Patients



The U.S. Senate is currently considering the Better Care Reconciliation Act (BCRA) – legislation that could potentially jeopardize the Medicaid program. The American Cancer Society Cancer Action Network (ACS CAN) opposes the BCRA because it threatens access to Medicaid’s health care coverage for millions of lower income cancer patients, survivors, and those at risk for the disease.

## Cuts to Medicaid Jeopardize Access for Cancer Patients and Survivors

Medicaid is the health insurance safety-net for lower income Americans, offering quality, affordable, and comprehensive health care **coverage to over 73 million** people<sup>1</sup> – including those with cancer, those who will be diagnosed with cancer, and cancer survivors. BCRA could **cut Medicaid by an estimated 26 percent** (\$756 billion) **over 10 years**,<sup>2\*</sup> and as much as **35 percent over 20 years**.<sup>3</sup> The bill would also essentially end Medicaid expansion in 31 states and the District of Columbia, leading to **15 million individuals losing coverage**. A new Avalere analysis estimated that **570,000 patients with cancer or a history of cancer** could lose Medicaid coverage by 2027.<sup>4</sup>

### Did You Know?

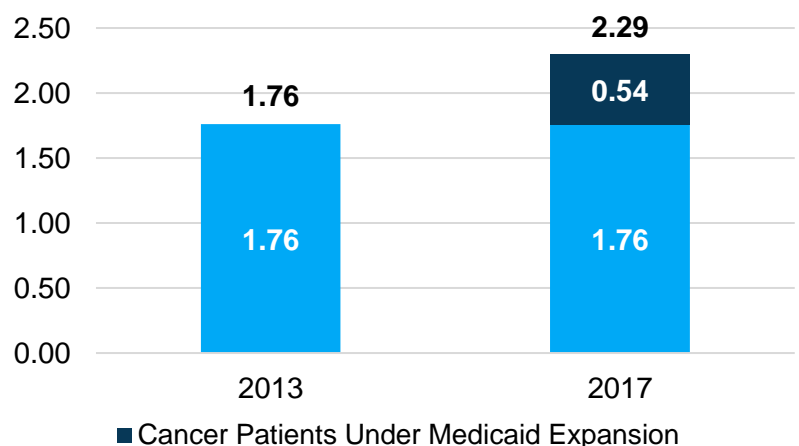
According to a Kaiser Family Foundation analysis, **77 percent** of adults on Medicaid are **working men and women**. Many of these individuals work in low-wage or part-time jobs that don’t provide health insurance.<sup>14</sup>

The BCRA would also change how the federal government pays for Medicaid. A new per capita cap payment structure could force states to make difficult budgetary decisions, including imposing enrollment freezes or waiting lists, withholding certain medical benefits, or increasing cost sharing for enrollees. For persons with serious illnesses, these changes could mean later-stage diagnosis when treatment costs are higher and survival is less likely. Ultimately, capping Medicaid reimbursement per enrollee – at the rate proposed by the Senate – raises serious concerns about the ability of states to provide quality, affordable, and comprehensive health care coverage to their low-income constituents if the legislation is enacted.

## Cancer Patients and Survivors Rely on Medicaid

- It is projected that in 2017, approximately **2.3 million** patients (infants to age 64) with cancer or a history of cancer will rely on Medicaid and the Children’s Health Insurance Program (CHIP) for their insurance – a **31 percent increase** from 2013.<sup>4</sup>
- Out of the 2.3 million enrollees, **540,000** are estimated to be receiving Medicaid coverage under the Medicaid expansion.<sup>4</sup>

CANCER PATIENT GROWTH IN MEDICAID & CHIP, IN MILLIONS, 2013 - 2017

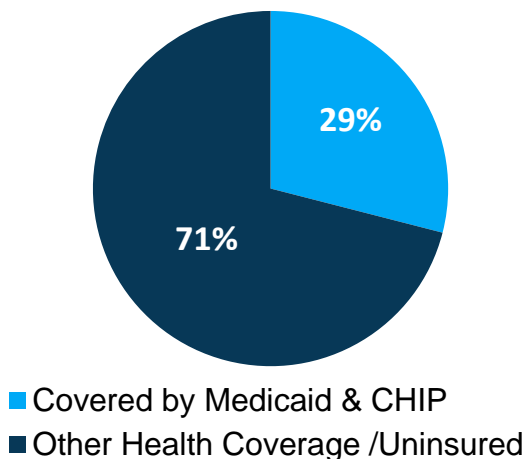


\* Estimates based on most currently available version of the Congressional Budget Office’s July 20, 2017 report.

## Medicaid is Also Critical for Pediatric Cancer Patients

- Medicaid covers one in three children in the United States.<sup>5</sup>
- In 2014, **29 percent** or approximately **one third** (1/3) of pediatric cancer patients ages 0-19 were enrolled in Medicaid at the time of diagnosis.<sup>4</sup>

PEDIATRIC CANCER PATIENTS,  
2014



## Access to Medicaid Reduces the Incidence of Cancer

Several studies have shown that Medicaid helps to improve access to preventive care and limits out-of-pocket spending burdens.<sup>6,7,8,9</sup> Lower income individuals are less likely to seek health services, including lifesaving preventive screenings (e.g., mammograms and colonoscopies), when they must pay for those services out-of-pocket.<sup>10,11,12</sup> Coverage of cancer care helps cancer patients and survivors manage their disease, maintain a good quality of life, and improve their financial situation.<sup>13</sup> Therefore, **Medicaid is a critical safety-net for cancer patients and survivors to receive lifesaving preventive and treatment services.**

<sup>1</sup> Office of the Assistant Secretary for Planning and Evaluation. Compilation of state data on the Affordable Care Act. Published December 2016. Accessed January 12, 2017. <https://aspe.hhs.gov/compilation-state-data-affordable-care-act>.

<sup>2</sup> Congressional Budget Office. Cost estimate for H.R. 1628, Better Care Reconciliation Act of 2017. Published July 20, 2017. Accessed July 2017. <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/52941-hr1628bcra.pdf>.

<sup>3</sup> Congressional Budget Office. Longer-term effects of the Better Care Reconciliation Act of 2017 on Medicaid spending. Published June 29, 2017. Accessed June 2017. <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/52859-medicaid.pdf>.

<sup>4</sup> Analysis provided to ACS CAN by Avalere Health. *Funding for Medicaid patients with cancer under BCRA Discussion Draft*. Analysis performed June 2017.

<sup>5</sup> Alker J, Chester A. Children's Health Coverage Rate Now at Historic High of 95 Percent. Georgetown University Health Policy Institute Center for Children and Families. Published October 2016. Accessed January 12, 2017. <http://ccf.georgetown.edu/wp-content/uploads/2016/11/Kids-ACS-update-11-02-1.pdf>.

<sup>6</sup> Zuckerman S, Skopec L, and McCormack K. *Reversing the Medicaid Fee Bump: How Much Could Medicaid Physician Fees for Primary Care Fall in 2015?* (Washington, DC: The Urban Institute, December 2014), <http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000025-Reversing-the-Medicaid-Fee-Bump.pdf>.

<sup>7</sup> Levinson, DR. *Medicaid Rebates for Brand-Name Drugs Exceeded Part D Rebates by a Substantial Margin*. (Washington DC, Department of Health and Human Services Office of Inspector General, April 2015), <http://oig.hhs.gov/oei/reports/oei-03-13-00650.pdf>.

<sup>8</sup> U.S. Government Accountability Office (GAO). *Medicaid Payment: Comparisons of Selected Services under Fee-for-Service, Managed Care, and Private Insurance*. (Washington, DC: U.S. Government Accountability Office, July 2014), <http://www.gao.gov/products/GAO-14-533>.

<sup>9</sup> Mitchell A. *Medicaid Financing and Expenditures*. (Washington, DC: Congressional Research Service, December 2015).

<sup>10</sup> Solanki G, Schauffer HH, Miller LS. The direct and indirect effects of cost sharing on the use of preventive services. *Health Services Research*. 2000; 34: 1331-50.

<sup>11</sup> Wharam JF, Graves AJ, Landon BE, Zhang F, Soumerai SB, Ross-Degnan D. Two-year trends in colorectal cancer screening after switch to a high-deductible health plan. *Med Care*. 2011; 49: 865-71.

<sup>12</sup> Trivedi AN, Rakowski W, Ayanian JA. Effect of cost sharing on screening mammography in Medicare health plans. *N Eng J Med*. 2008; 358: 375-83.

<sup>13</sup> Finkelstein A, Taubman S, Wright B, Berstein M, Gruber J, et al. The Oregon health insurance experiment: evidence from the first year. *The Quarterly Journal of Economics*. 2012; 127(3): 1057-1106.

<sup>14</sup> The Henry J. Kaiser Family Foundation. Distribution of the nonelderly with Medicaid by family work status. Accessed June 2017. <http://www.kff.org/medicaid/state-indicator/distribution-by-employment-status-4/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>.