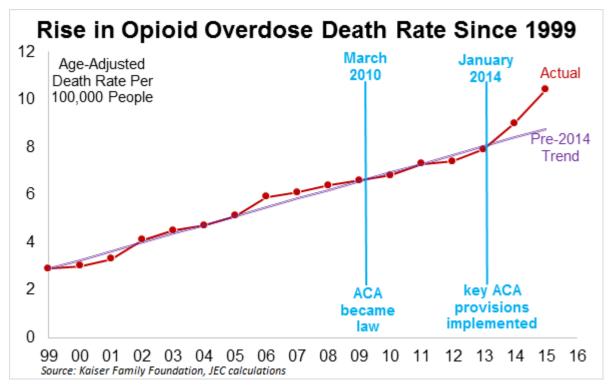


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Opioids and Obamacare: What's the Real Story?

1. Has Obamacare stemmed the rising overdose death rate from opioids? No, according to the most recent data available from the Centers for Disease Control and Prevention. In fact, the largest single-year increases in the death rate since 1999 occurred after the Obamacare exchanges and Medicaid expansion were implemented and the individual mandate to have health insurance was enforced. By the end of 2014, death rates rose 14% from the prior year and then increased again by 16% in 2015. While this may not prove that Obamacare caused a spike in tragic opioid-related deaths, a glance at the graph below makes is hard to argue that it is solving the problem.



2. Has Obamacare contributed to the problem? Yes, according to a 2016 Time article entitled "How Obamacare Is Fueling America's Opioid Epidemic." Obamacare conditioned a portion of hospitals' funding on patient surveys, including how well they managed patients' pain and even whether the hospital was doing everything it could to control pain. Unsurprisingly, this created an incentive for hospitals to overprescribe painkillers. Days before the 2016 election and only after pressure from Congress, the Obama Administration finally removed pain management from the patient survey. While this policy has thankfully ended, the damage will likely linger for some time to come. Prescription opioids still account for nearly half of all opioid overdose deaths, and though addiction to illicit opioids like heroin is becoming more prevalent, an estimated 80% of people addicted to heroin started by using prescription opioids.

- 3. Will repealing and replacing Obamacare damage efforts to combat opioid addiction? No. In fact, the opposite is true.
 - AHCA provides dedicated funding for treating addiction, while Obamacare provides none. AHCA provides states with \$15 billion in targeted funding for treating addiction and serious mental illness, as well as for maternity and newborn care. In addition, states could use other funding from the \$138 billion Patient and State Stability Fund for this purpose. In contrast, Obamacare provides exactly \$0 in special funds for this effort.
 - AHCA stabilizes the Medicaid program and ends Obamacare's discrimination against the most vulnerable patients. Medicaid spending is growing at an <u>unsustainable rate</u> that threatens the program for low-income Americans who rely on it, including those suffering from addiction. Obamacare expanded Medicaid eligibility to able-bodied adults earning more than the poverty level and subsidizes them at much higher rates than other Medicaid patients. As a result, Medicaid will reimburse states for 90% of the treatment costs of able-bodied adults with higher income but only an <u>average of 57%</u> for the elderly, disabled, children, and lowest-income adults in traditional Medicaid. AHCA ends this discrimination by equalizing the matching rate among beneficiaries, while providing a transition for <u>states that expanded Medicaid coverage</u>. It also stabilizes Medicaid by allowing per-enrollee federal spending to grow at or 1% above the general growth rate in spending for medical care.
 - AHCA protects people with pre-existing conditions. AHCA prohibits insurers from denying coverage to people with pre-existing conditions, including addiction. Further, AHCA prohibits insurers from charging higher premiums based on health status to people who maintain health insurance coverage. This incentive to maintain coverage keeps premiums lower for everyone with insurance. And while those with large gaps in coverage could face a higher premium when they next sign up for insurance, this penalty would last for a single year only. Additional details on these protections are available here.
 - AHCA trusts states as partners in combating the opioid epidemic. AHCA allows states to seek a <u>waiver</u> from the Obamacare requirement that insurers provide a one-size-fits-all benefit package. However, the assumption of some critics that states will rush to strip addiction treatment from the package shows a fundamental distrust of people much closer to the opioid crisis than Washington bureaucrats. States are painfully aware of the devastation caused by opioid addiction and could also shoulder much of the costs not borne by private insurance. Further, any state with a waiver must have structures in place to assist with costs for people with pre-existing conditions. Additionally, the opioid crisis has <u>different dimensions</u> in each state and AHCA allows states to design their own solutions.

Combating Opioid Addiction Scorecard		
	Obamacare	AHCA
Provides dedicated funding	X	\checkmark
Stabilizes Medicaid growth, treats beneficiaries fairly	X	\checkmark
Protects people with pre-existing conditions	√	√
Trusts states to craft wise policy	X	\checkmark