

What Lies Ahead for Poor and Working-Class Oklahomans?

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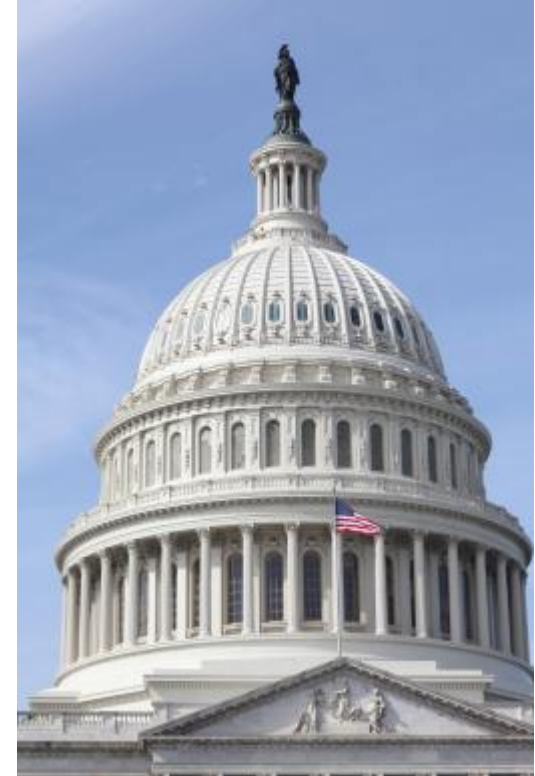


- **Federal threats**
 - The reconciliation process
 - Affordable Care Act repeal / replace
 - Structural changes to Medicaid
 - Structural changes to SNAP
- **State health and human services budgets**
 - Oklahoma Health Care Authority
 - Department of Mental Health and Substance Abuse Services
 - Department of Human Services
 - Department of Health
- **Where do we go from here?**

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Reconciliation

- Primarily restricted to measures affecting the federal budget
- Process is started by a budget resolution with “reconciliation instructions”
- Cannot be filibustered; requires only 51 votes to pass
- Both parties have used it for major bills in the past
- Reconciliation bills partially repealing the ACA and restructuring Medicaid/SNAP could pass by summer



Affordable Care Act basics

- Allows children to stay on parents' coverage through age 26; ended preexisting condition exclusions, annual/lifetime caps, etc.
- Expanded access to health coverage via subsidized private coverage and expanded Medicaid eligibility
- Oklahoma marketplace enrollment:
 - 130,000 enrollees, 113,000 with premium tax credits
 - Average premium reduced from nearly \$400 to \$80
 - 2017 enrollment up 10 percent over last year
- No Medicaid expansion
 - Left 100,000 working adults without access to health coverage
- Individual mandate

Partial repeal the ACA - logistics

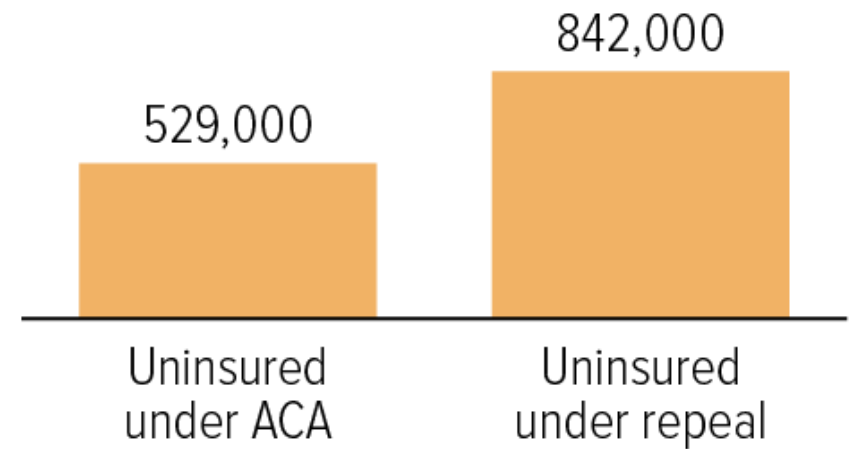
- Immediate: Elimination of individual and employer mandate
- Delayed: Defunding of marketplace subsidies and Medicaid expansion
- Not at risk: Children on parents' coverage through age 26, prohibition on excluding preexisting conditions, age band ratings



Partial repeal of the ACA - effects

- Even with delay, repealing the ACA without replacing it would cause massive upheavals in Oklahoma and nationwide
 - 313,000 Oklahomans lose insurance by 2019
 - Coverage losses larger than coverage gains
 - Loss of premium tax credits
 - Functional collapse of nongroup market

Number of Uninsured Oklahomans Would Jump Under ACA Repeal



Source: Center on Budget and Policy Priorities; Urban Institute



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No clear replacement

...but lots of likely components

- Replace the ACA premium tax credit with a modest tax subsidy that only varies by age – not by income or local coverage costs
- Eliminate the ACA's cost-sharing reductions
- Expand health savings accounts (HSAs), which primarily benefit high-income individuals
- Allow insurers to exclude coverage of a pre-existing condition for lengthy periods of time or charge much higher premiums
- Expand high-risk pools

Bottom line: likely to leave many of those losing coverage uninsured

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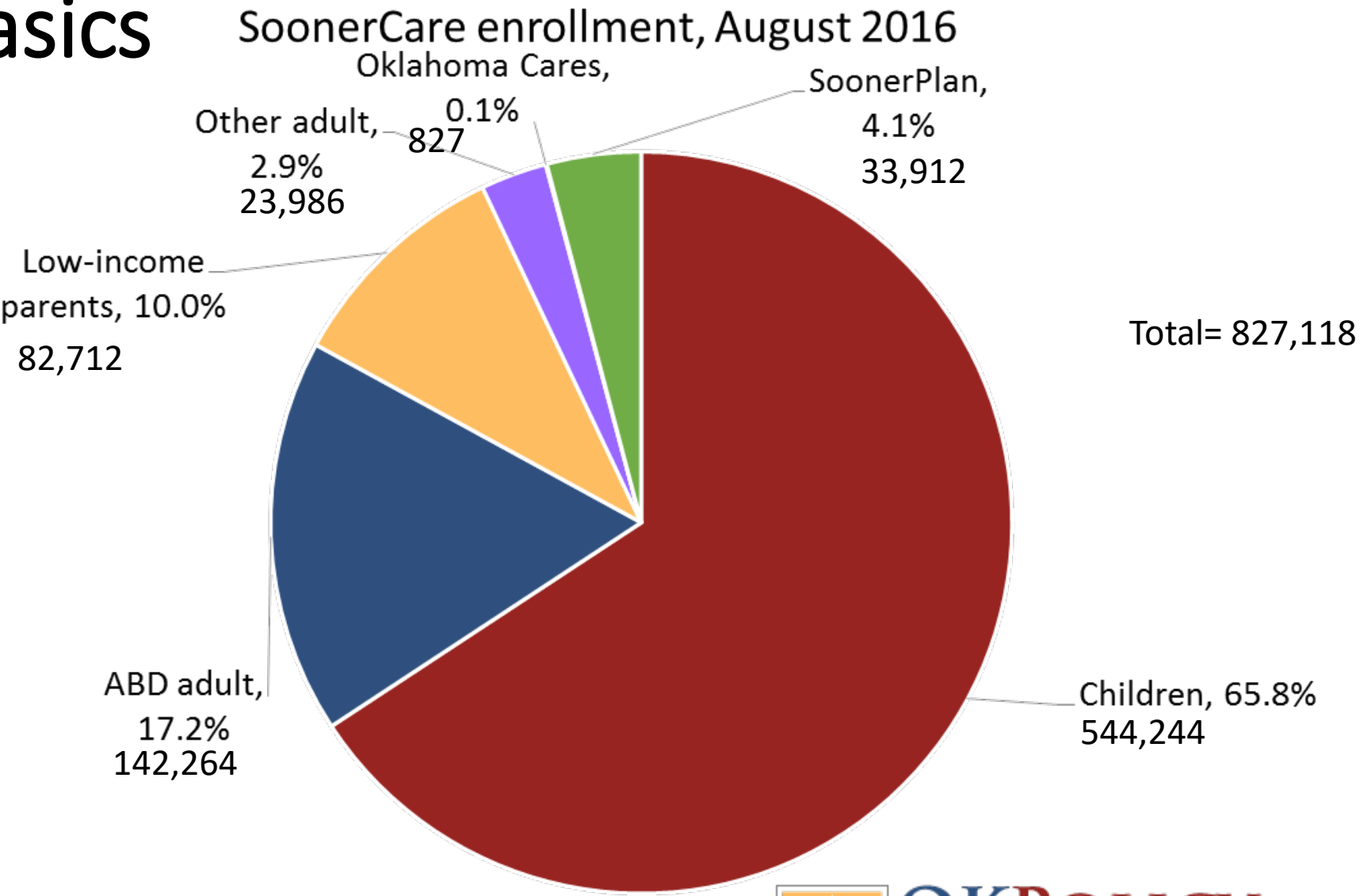
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SoonerCare Basics

SoonerCare covers more than 800,000 Oklahomans every month

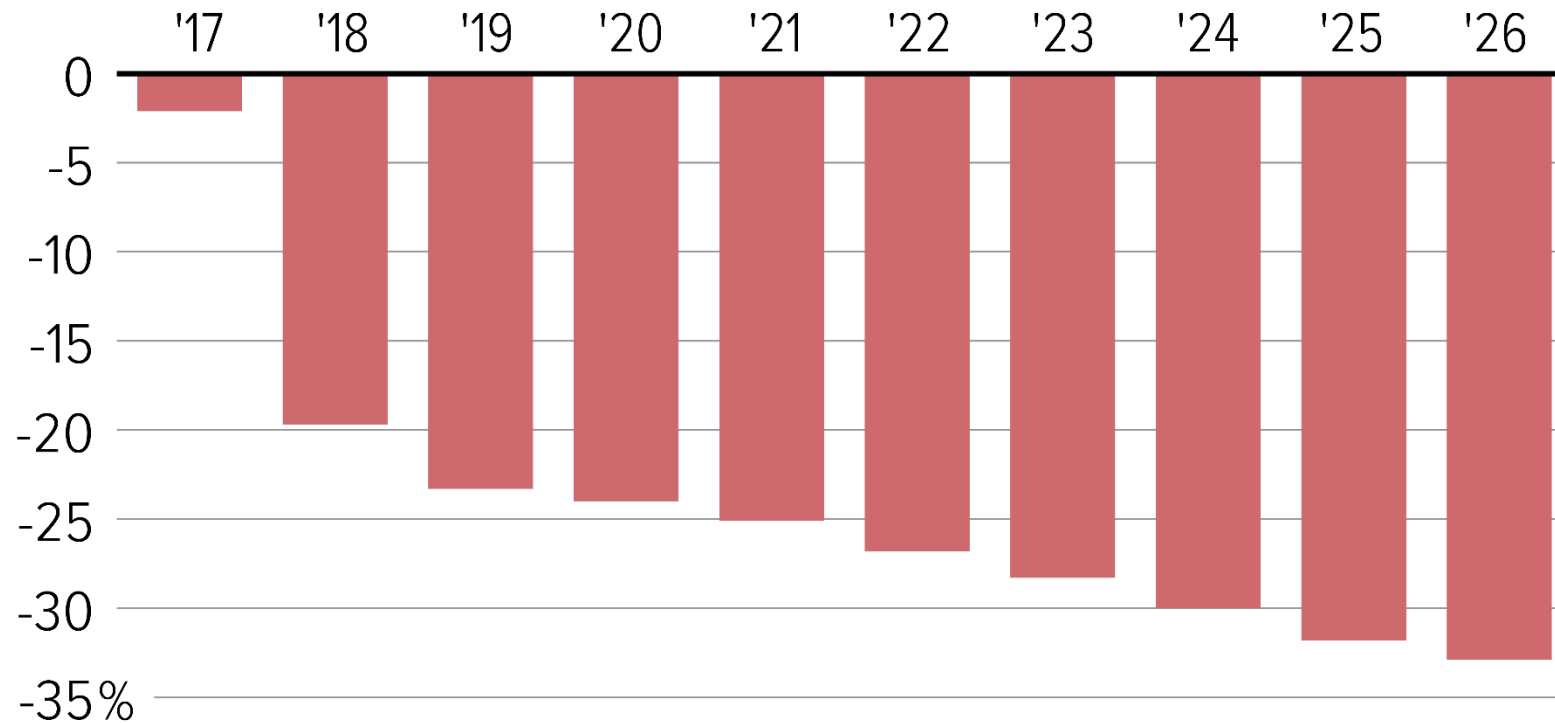


Threats to Medicaid

- Block grant or a “per capita cap” to shift significant costs/risks to states and beneficiaries
- “More flexibility” for states = more cuts
 - Cuts to mandatory eligibility and benefits
 - Adding premiums/cost-sharing, work requirements
 - Starting waiting lists or capping enrollment

Medicaid Cuts Would Grow Over Time Under House Budget Plan Block Grant/Cap

Percent cut in federal Medicaid funds, relative to current law



Source: CBPP analysis using Jan. 2016 Congressional Budget Office Medicaid baseline and House Budget Committee documents.



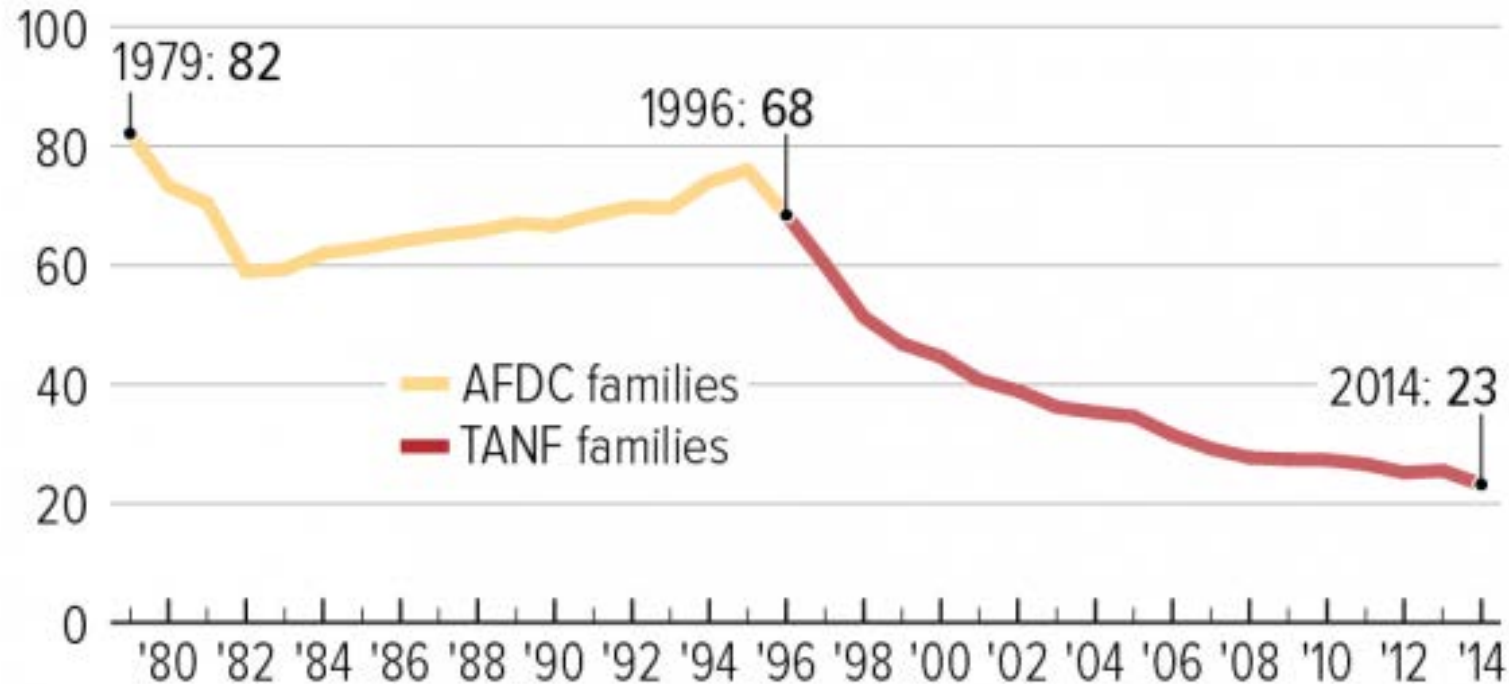
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TANF's Role as a Safety Net Continues to Decline

Number of families receiving AFDC/TANF benefits for every 100 families with children in poverty



Note: TANF = Temporary Assistance for Needy Families, AFDC = Aid to Families with Dependent Children

Source: CBPP analysis of poverty data from the Census' Current Population Survey and AFDC/TANF caseload data from Department of Health and Human Services and (since September 2006) caseload data collected by CBPP from state agencies.



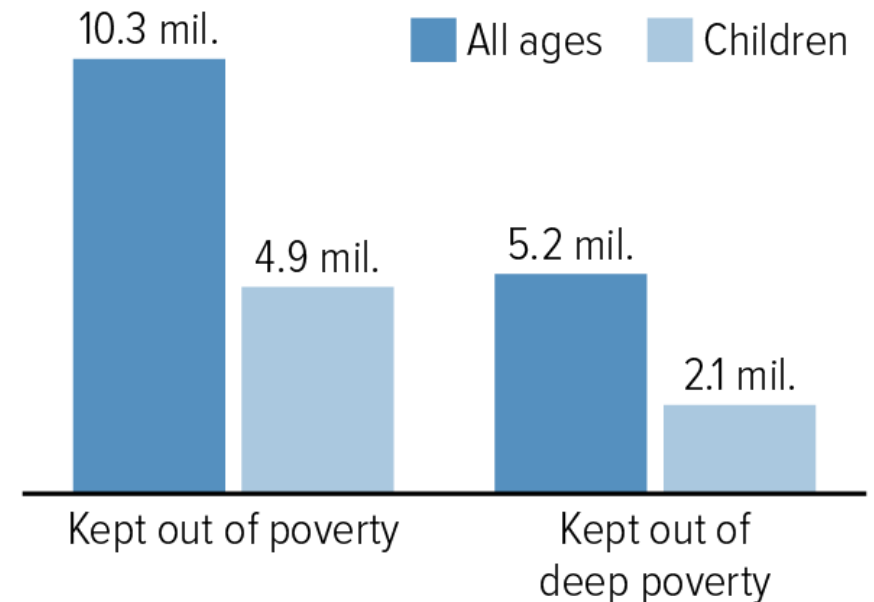
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SNAP Basics

- 1 in 7 Oklahomans rely on SNAP
 - 44+ million low-income Americans
- SNAP kept 140,000 people out of poverty in Oklahoma, including 70,000 children, each year between 2009 and 2012
- SNAP is proven to help children who receive it throughout their whole lives
- Every \$1 spent on SNAP generates \$1.70 in economic activity in Oklahoma

SNAP Kept Millions Out of Poverty and “Deep Poverty” in 2012

People kept above poverty line or half of poverty line in 2012



Source: Center on Budget and Policy Priorities



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Threats to SNAP

- Recent House budgets proposed cutting SNAP by 20 percent (**\$125-\$150 billion**) over 10 years
 - 93 percent of federal SNAP spending is for food, so large SNAP budget cuts would need to come from deep benefits & eligibility cuts affecting millions
- House budgets also included a recommendation to block grant SNAP
 - Block granting SNAP would essentially end the program
 - Eliminates automatic response to recessions, natural disasters, rising food prices, etc.
 - Allows states to shift funds to other purposes

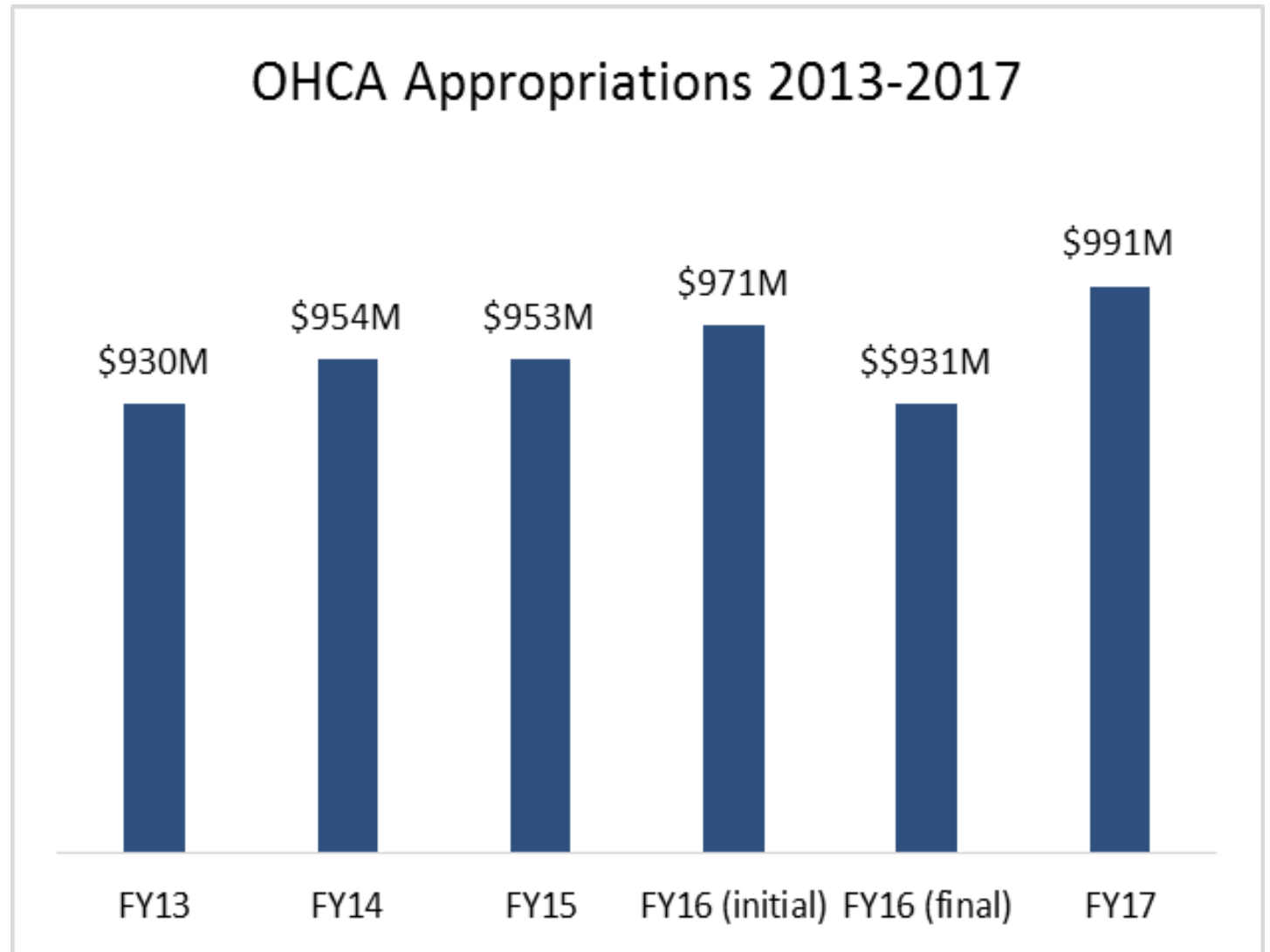
Meanwhile, back at the ranch

- Substantial federal movement to shift financial responsibility for the safety net to states
- Cuts to agencies supporting our poor and vulnerable compromise ability to achieve core goals
- We are poorly positioned to pick up federal slack

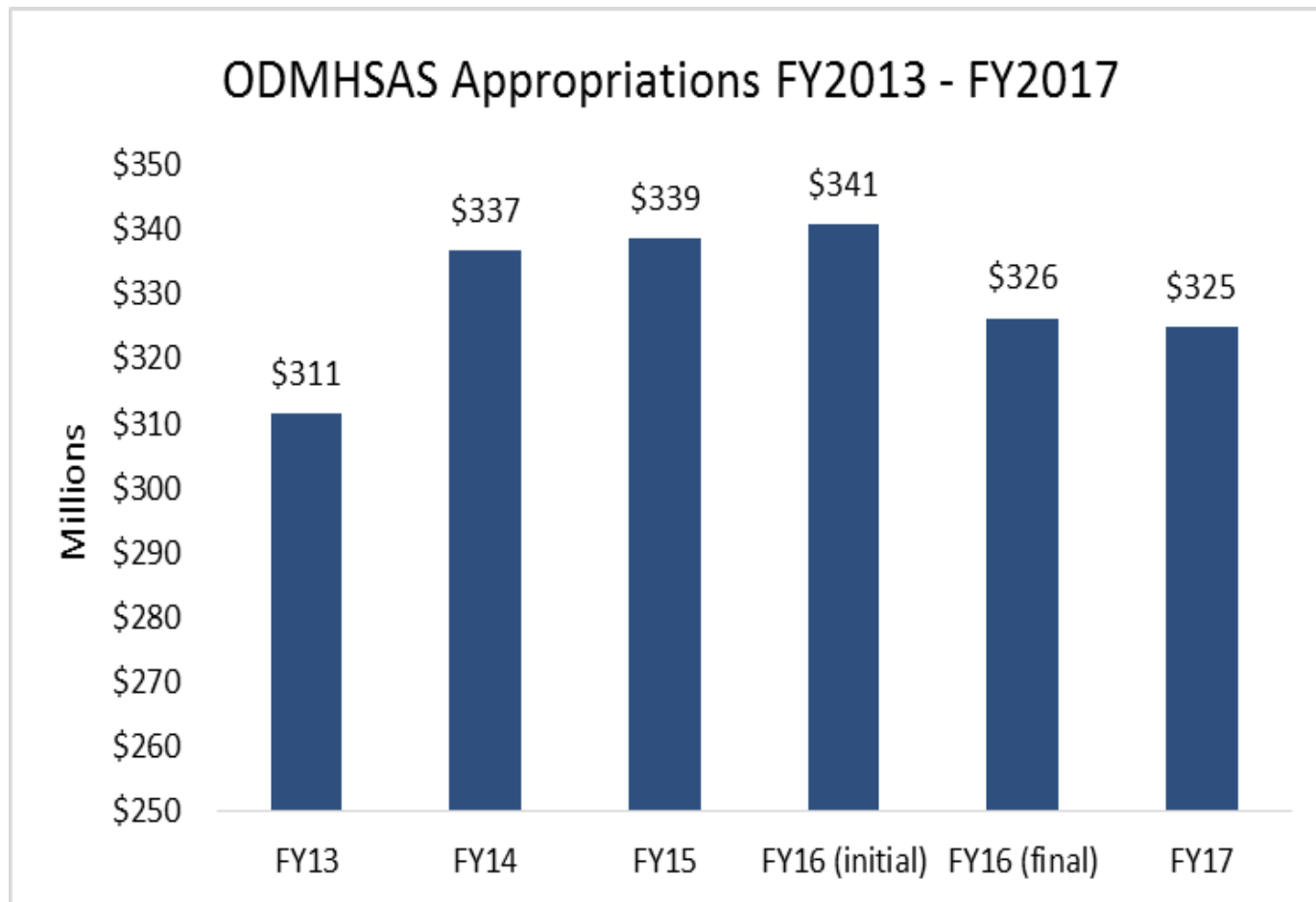


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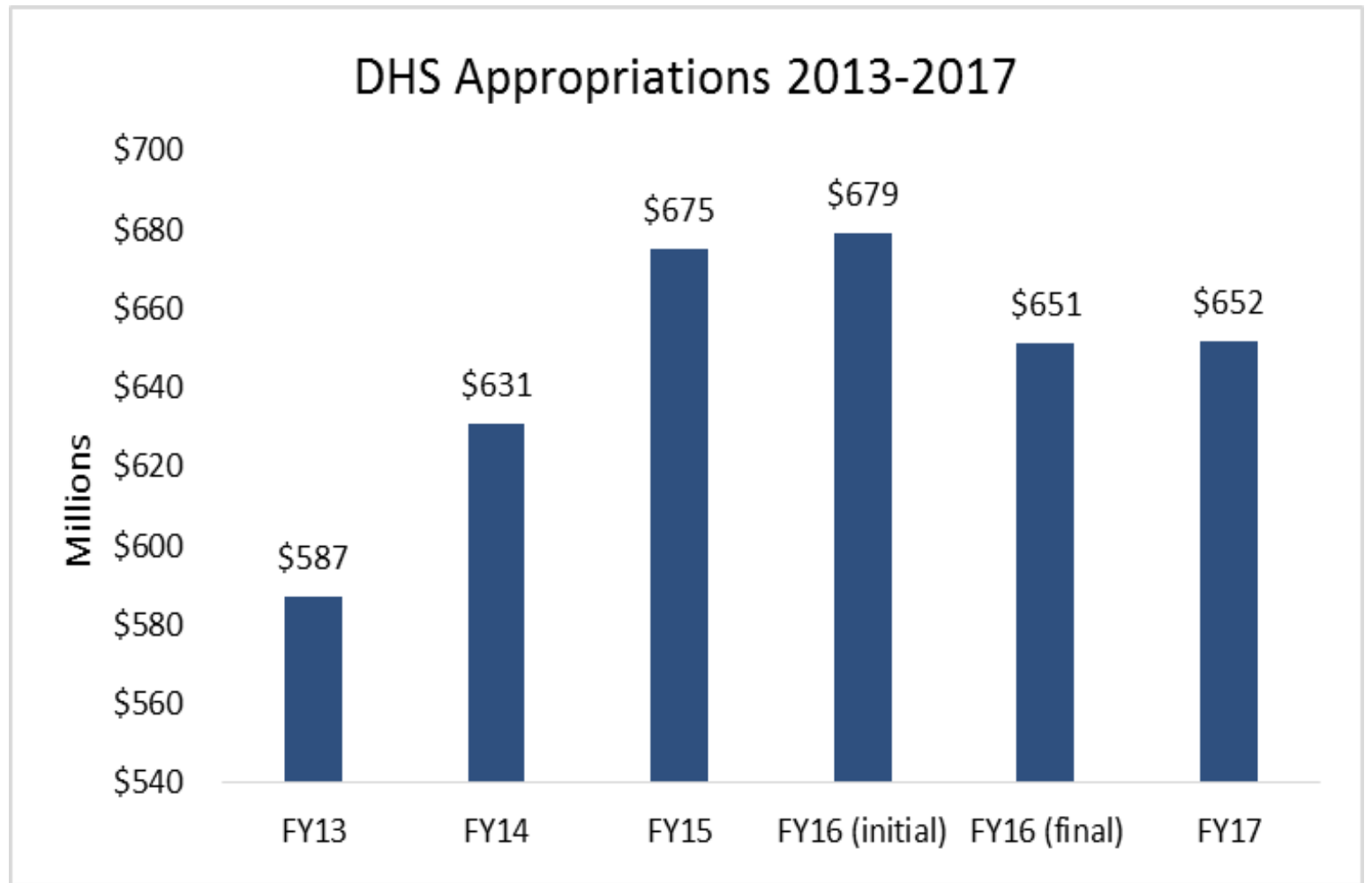
Unlike most health agencies, OHCA has seen gradual funding increases over the years



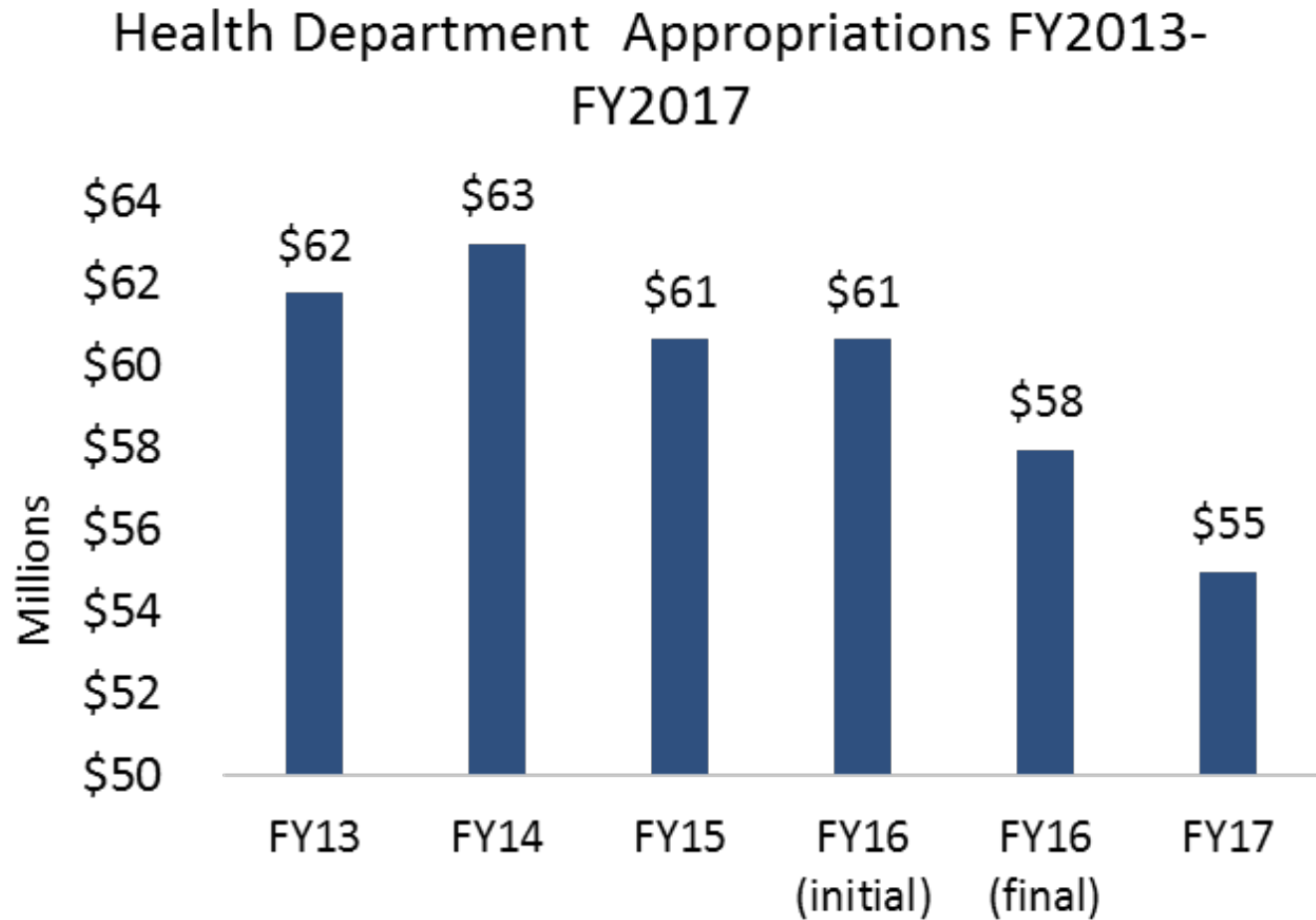
The Oklahoma Department of Mental Health and Substance Abuse Services' FY2017 appropriation fails to make up FY2016's midyear cuts



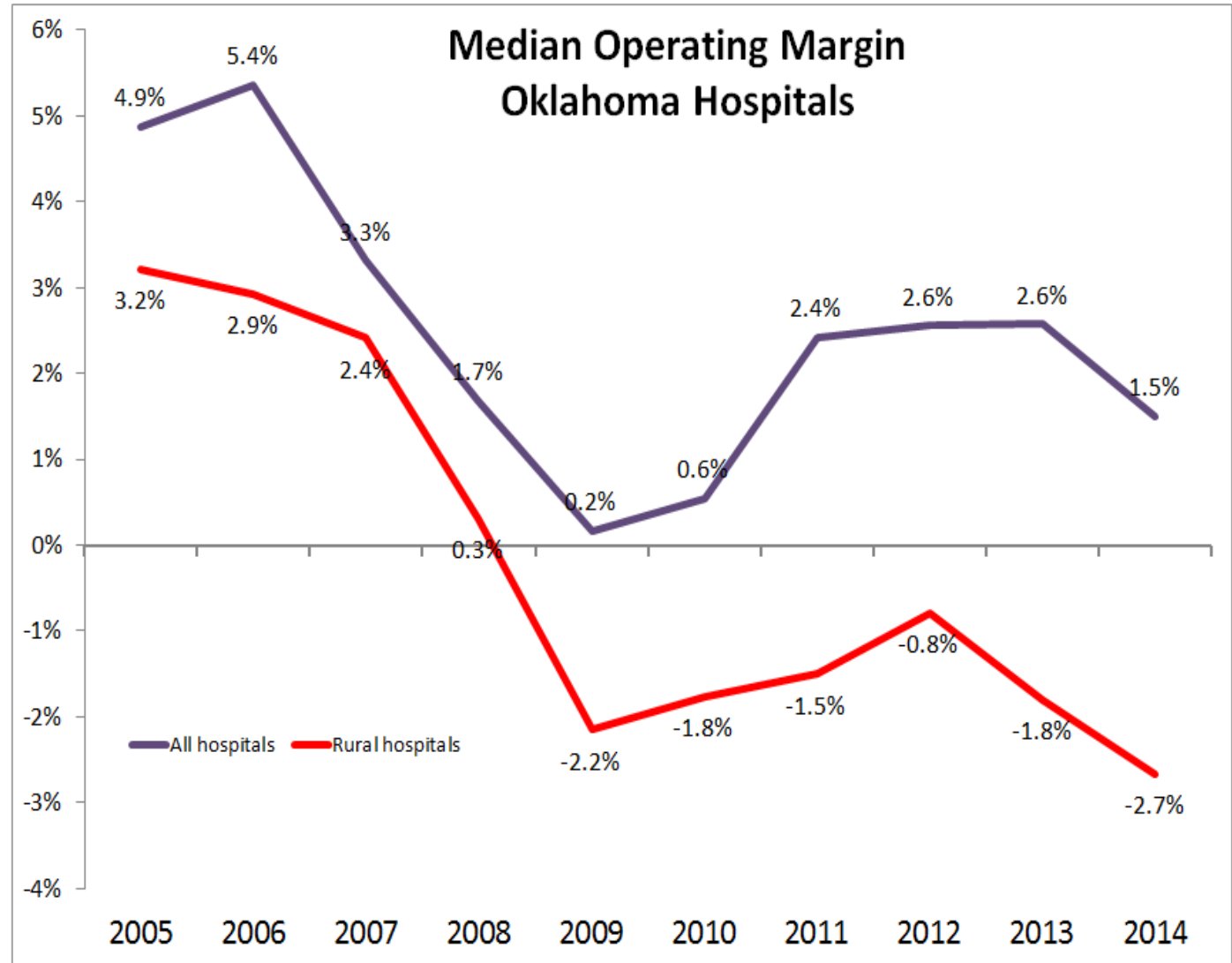
- Court-ordered child welfare reform have eaten up DHS funding increases
- Those reforms and legislation have limited DHS's ability to make budget cuts



The state Department of Health has been cut by more than 25 percent since 2009



High uninsured rates and a weakened safety net hit the entire health care system



Source: Oklahoma Hospital Association



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#DoSomethingOK

- Be involved with your elected officials – local *and* national
- **Does your legislator know who you are?**
- Make your voice heard
- Amplify each other



www.togetherok.org

- Sen. Rob Standridge (Chair, Appropriations Subcommittee on Health and Human Services)
- Ed Lake (Director, Oklahoma Department of Human Services)
- Craig Jones (President, Oklahoma Hospital Association)
- Katie Fitzgerald (CEO, Regional Food Bank of Oklahoma)
- Moderator: Linda Edmondson (OK Policy board member)