

GOP Tax Scam: Raises Costs and Takes Health Care Away From Millions of Americans

The GOP Tax Scam cuts nearly a trillion dollars from our health care system—eliminating health coverage for at least [13.7 million Americans](#). It raises costs for consumers, shifts costs to states and cuts payments to providers, and makes it harder for people to get and keep affordable health coverage. The bill also includes one glaring omission that will hike taxes and raise premiums on 24 million Americans—it fails to extend the enhanced premium tax credits that expire at the end of 2025. All to pay for tax breaks for the wealthiest Americans and corporations.

In fact, the average tax break to the top 0.1 percent of Americans in this bill is \$255,000—many, many times the annual cost of insurance for people buying insurance through the Affordable Care Act (ACA) Marketplaces or Medicaid. Republicans are blocking Americans from getting health insurance to line the pockets of billionaires.

HIGHER COSTS:

For people who purchase their own coverage through the ACA, the GOP Tax Scam:

- Increases costs on people who purchase their own coverage by **\$358 billion** over the next nine years by failing to extend the enhanced premium tax credits, which will cause premiums to double for many and result in [4.2 million Americans](#) losing coverage.
- Raises the amount people have to spend to get out-of-pocket cost protections, meaning people with illnesses like cancer or diabetes have to spend more money before their insurance caps their costs.
- Allows insurance to [cover less care and offer weaker coverage](#) that leaves consumers worse off. As a result, more Americans will face higher deductibles and higher out-of-pocket costs than is allowed today.

For low-income people who rely on Medicaid, the GOP Tax Scam:

- Increases out-of-pocket costs by making people pay more when they need medical care, requiring states to impose cost-sharing of [up to \\$35 for each service](#).
- Cuts [retroactive coverage](#) that protects Americans from thousands of dollars of medical debt in unforeseen emergencies or when they unexpectedly need nursing home care.
- Forces people who need long-term care out of their homes and into institutions by capping the [home equity limit](#).
- Makes it harder for [dually eligible](#) low-income seniors to get cost-sharing assistance. Nearly [1.4 million people](#) who need both Medicare and Medicaid coverage to afford their prescription drugs and to go to the doctor will have to go without the financial assistance they need.

MORE RED TAPE, MASSIVE COVERAGE LOSSES:

For people who purchase their own coverage through the ACA Marketplaces, the GOP Tax Scam kicks at least 2.1 million people off their health coverage, making them uninsured and cuts nearly \$300 billion from the program. Specifically, it:

- Makes it more difficult for low-income individuals to apply for and receive coverage outside of the Open Enrollment season.
- Blocks taxpaying, [legally present immigrants](#) (fleeing violence and persecution) from accessing health coverage from the Marketplace—even though they work and pay taxes.

- Makes it harder for eligible individuals to enroll in coverage and takes away a lifeline for many who experience job changes or qualifying life events—by shortening the time people have to enroll, eliminating the special enrollment period, and requiring additional verification before coverage can begin.

For low-income people who rely on Medicaid, the GOP Tax Scam cuts \$736 billion from Medicaid and kicks 7.6 million people off their health coverage and makes them go uninsured. Specifically, it:

- Blocks nearly *five million* people who are unable to comply with burdensome red tape requirements from getting coverage in Medicaid *and* the ACA Marketplaces, many of whom are people with disabilities, older adults, and caregivers. Studies show that work reporting requirements do not increase employment, are costly to implement, and are impossible for enrollees to navigate.
 - These draconian red tape requirements apply at application for Medicaid, and states can check on eligibility as often as they desire. States can also apply a lookback period for as many months back as a state chooses, thereby locking people out of coverage for months or even longer.
 - Although Republicans claim that many populations are exempt from these red tape requirements, studies and experience have shown that exemptions don't work and are often too complex for individuals to navigate.
 - These red tape requirements harm disabled and older Americans. The bill fails to exempt older Americans aged 50-64, who often live with multiple chronic conditions and poor health. Additionally, estimates suggest as many as 20 to 25 percent of all Medicaid expansion enrollees have disabilities, particularly people with mental health and substance use disorders, who stand to lose their coverage under these paperwork requirements.
- Subjects people to more frequent paperwork checks, on top of the up-to-monthly work reporting requirements people will need to comply with to get and keep their coverage.
- Gives the green light to waiting periods that prevent children from enrolling in the Children's Health Insurance Program (CHIP) and arbitrary limits on needed medical care—just because the state thinks it's too expensive. For children who are uninsured or need costly medical care: You will have to wait and go without.

NOWHERE TO GO: CLOSES HOSPITALS, NURSING HOMES, AND OTHER CASH-STRAPPED PROVIDERS:

Republicans are cutting \$73 billion in payments to Medicaid providers, by limiting the payments that state Medicaid programs can make to hospitals, long-term care providers, and many other cash-strapped providers so that they can stay in business and provide the services their residents need. Specifically, it:

- Stops states from requiring Medicaid health plans to make new or increased payments to providers up to the average commercial rate, known as "state directed payments." For example:
 - If a rural hospital needs to grow its rural track residency program to train more doctors in a rural area, the state can't direct its plans to make the same level of payments to that provider that it could today.
 - If a state identifies a behavioral health care provider at risk of going out of business without additional funds, the state can't direct its plans to make the same level of payments to that provider that it could today.

- If a state wants to make additional payments to a hospital that is struggling to keep its maternity ward open, the state can't direct its plans to make the same level of payments to that provider that it could today.
- Cuts states off from making the same payments they can make today, no matter the need. That means hospital closures, nursing home closures, home-based care provider closures, and fewer available services for everyone—all while the lines get longer because fewer people have health coverage and Americans are sicker.

NO NEW FUNDS TO SOLVE HEALTH CRISES:

Republicans are cutting off states' ability to generate the funds they need for their Medicaid programs, resulting in an \$124 billion cut to Medicaid. Specifically, the bill:

- Blocks states from collecting any [new or increased provider taxes](#), meaning that, moving forward, states can't increase these taxes to do things like:
 - Expand home- and community-based services to help people with disabilities who are currently subjected to up to *decades*-long wait lists for the home-based care that allows them to live with dignity outside of institutions.
 - Help hospitals stay open, given the more than 13 million people won't have health care anymore, forcing hospitals to foot the bill for these uninsured patients.
 - Respond to a crisis, like a disease outbreak or a natural disaster like a hurricane.
- [Without this tool](#), states will have to cut spending as new needs arise—meaning cutting health care—or they will have to collect the funds by imposing taxes on or cutting other services.

CAUSES MORE THAN \$500 BILLION IN CUTS TO MEDICARE, BREAKING TRUMP'S PROMISES NOT TO TOUCH MEDICARE:

Republicans are also cutting more than \$500 billion from Medicare because their deficit-busting GOP Tax Scam will trigger Statutory PAYGO. Specifically, unless Congress acts, the bill:

- Triggers Statutory PAYGO, causing a \$45 billion cut to Medicare in 2026 and \$490 billion cut from 2027 to 2034—more than \$500 billion in cuts overall—according to the Congressional Budget Office.
 - These Medicare cuts will be on the backs of hospitals and doctors and on top of the draconian cuts to Medicaid and the ACA as more patients will be uninsured.
- Triggers automatic cuts that will [eliminate](#) a wide range of programs until 2034.
 - Such programs include the Safe and Stable Families program—which funds child abuse prevention and foster care and adoption services—the Social Services Block Grant, the Maternal and Infant Early Childhood Home Visiting program, and some farm aid programs like crop insurance.