

Duckworth: CBO score must account for GOP budget gimmicks that hide true damage of Trumpcare

June 26 2017 8:39 AM



WASHINGTON, D.C. – U.S. Senator Tammy Duckworth (D-IL) wrote the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) today requesting the forthcoming CBO analysis of the Senate Republican healthcare bill account for GOP budget gimmicks that hide the true costs of Trumpcare. Specifically, Duckworth highlighted how CBO scores are generally limited to 10-year time periods but the GOP healthcare bill would delay a number of harmful changes to Medicaid from taking effect until 2025 to avoid having to level with the American public about the full impact of their reckless cuts.

"In light of the significant consequences the BCRA holds for millions of Americans, I believe that the CBO and JCT analysis should carefully account for such budgetary gaming or gimmicks," Duckworth wrote. "The people of Illinois could be forced to live with the consequences of the Senate Republican-authored BCRA long past 2026. As their United States Senator, I need to understand how this proposal may impact their lives as they age over decades, not just the next 10 years."

Duckworth requested the CBO instead analyze Trumpcare's effects over at least a 20year period and estimate the impact of Medicaid cuts in states like Illinois where state law would automatically reduce Medicaid eligibility if the federal government reduces its Medicaid spending. Former CBO Director Doug Elmendorf has also pointed out that the GOP bill is structured in a way that "duck the long-run effects on the number of people in America who have health insurance." That's because Senate Republicans proposed capping increases in Medicaid spending at the rate of inflation beginning in 2025 instead of at the rate at which medical costs increase. That could result in significant additional cuts to Medicaid well past the CBO's arbitrary 10-year window.

Full text of the letter is below. A PDF of the letter is available here.

June 23, 2017

VIA ELECTRONIC DELIVERY

Dr. Keith Hall, Ph.D.Mr. Thomas BartholdDirectorChief of StaffCongressional Budget OfficeJoint Committee on TaxationFord House Office BuildingFord House Office BuildingWashington, DC 20515Washington, DC 20515

Dear Director Hall and Mr. Barthold:

I want to commend the dedication and hard work of the Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT) civil servants who perform invaluable work informing the Congress with non-partisan budgetary and taxation analysis. The CBO and JCT are vital in educating policymakers and the public on the implications of enacting legislative proposals.

This is particularly true for the majority's effort to enact massive tax cuts for the wealthiest Americans and corporations, paid for by cutting funding that helps low-income and middle-class Americans obtain health insurance coverage and critical care. The CBO and JCT cost estimate for H.R. 1628, the American Health Care Act of 2017, revealed the potential real world harm that would be inflicted by cutting outlays for the largest health insurance program in the United States, Medicaid, reducing tax credits and eliminating important patient protections.

As our Nation awaits the forthcoming CBO and JCT estimate of the impact of enacting the Senate amendment in the nature of a substitute (ANS) to H.R. 1628, entitled the Better Care Reconciliation Act of 2017 (BCRA), I want to address a significant concern with the structure of BCRA. Specifically, BCRA provisions reducing Medicaid outlays by hundreds of billions of dollars and significantly transforming the largest health insurance program in the country by capping Federal contributions – even when a State must cover a resident with significant needs, such as an elderly individual or a child with chronic illness or a disability.

Health policy experts note that BCRA may purposefully delay implementation of the drastic cuts and capping of Medicaid outlays in an effort to "game" the CBO and JCT cost estimate methodology. Senate Republicans appear to be back-loading the implementation of harmful changes that would result in significant coverage losses beyond a 10-year budget window, in an effort to hide the true scope of harm that will be inflicted on millions of Americans by this ANS.

In light of the significant consequences the BCRA holds for millions of Americans, I believe that the CBO and JCT analysis should carefully account for such budgetary gaming or gimmicks and make sure Members of Congress accurately understand the real world implications of this legislative proposal for their constituents beyond 2026.

The people of Illinois could be forced to live with the consequences of the Senate Republican-authored BCRA long past 2026. As their United States Senator, I need to understand how this proposal may impact their lives as they age over decades, not just the next 10 years. Accordingly, I am requesting that the CBO and JCT:

- 1. Include in the forthcoming BCRA cost estimate, or in an accompanying supplemental analysis to that estimate, a forecast and analysis estimating the impact of enacting the ANS Medicaid provisions over a time period of <u>at least</u> 20 years; and
- 2. When estimating the impact of cuts to Medicaid outlays, account for the existence of so-called "trigger" States, such as Illinois, Arkansas, Arizona, Indiana, Michigan, New Hampshire, New Mexico and Washington, which have State laws that would require the immediate cuts to Medicaid eligibility if there are reductions in the Federal match.

I want to reiterate my appreciation and respect to the hardworking Americans who serve the public at CBO and JCT. I recognize your resources have not kept pace with an increasing workload. It should be a wakeup call to all Members that the official cost estimate for the House AHCA did not comply with that Chamber's requirement that all "major legislation" contain a budgetary impact of the bill's macroeconomic effects due to the short time your limited workforce was given to complete the estimate.

Nevertheless, given the high stakes for all Americans, the CBO and JCT would perform an important public service by providing transparency and insight into how the Senate Republican BCRA would impact millions of individuals – from children, to the elderly, to the disability community, to Veterans – in the years following actual changes to current law. Thank you in advance for reviewing my request and I look forward to your prompt reply.

Sincerely,

Tammy Duckworth United States Senator