International
Association of
Machinists and
Aerospace Workers



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OFFICE OF THE INTERNATIONAL PRESIDENT

September 20, 2017

Dear Senator,

On behalf of the International Association of Machinists and Aerospace Workers (IAM), I strongly urge you to oppose the Cassidy-Graham plan to repeal the Affordable Care Act. Like previous attempts to repeal the Affordable Care Act (ACA), this version would be severely detrimental and disruptive to the United States healthcare system. The vast majority of Americans are once again rightly opposed to this latest repeal plan which would strip coverage from tens of millions of Americans, while raising costs for millions more, destabilizing individual insurance markets, eliminating protections for people with pre-existing conditions, and thoroughly gutting Medicaid in the process.

While the Congressional Budget Office has not yet scored the Cassidy-Graham plan, its similarity to previous repeal efforts clearly indicates that the impact on the U.S. healthcare system would be devastating. Due to the elimination of Medicaid expansion and ACA marketplace subsidies, as well as drastic cuts to the Medicaid program overall; an estimated 15 million people would become uninsured in its first year and 32 million people would lose their healthcare coverage by 2027. The Cassidy-Graham plan is clearly intended as a giveaway to corporate America and the wealthy at the expense of the middle-class, the working-poor, and those most in need. This intent is made even clearer by the plan's elimination of the ACA medical device tax while leaving intact the ACA's 40% excise tax on healthcare plans, often referred to as the Cadillac tax.

The Cassidy-Graham plan would also destabilize individual insurance markets and group employer-sponsored markets by creating extreme market uncertainty. Under this plan, each of the fifty states would be left to devise their own market rules without any federal guidance or guardrails. Starting in 2020, insurers would be straddled with uncertainty about how the markets would operate and what risk pools would look like. This uncertainty would force insurers to impose large, immediate rate increases and some would likely leave certain markets altogether. The end result would leave Americans with higher prices and fewer choices.

The Cassidy-Graham plan would give states broad waiver authority to eliminate the ACA's essential health benefits requirements and protections for people with pre-existing conditions. If this plan becomes law, we would likely end up with a system that charges exorbitant premiums to millions of seniors, the less-healthy, and those with pre-existing medical conditions. In many cases these Americans might not be able to purchase medical coverage at all. Additionally, the elimination of the ACA's essential health benefits requirement would allow insurers and

employers to offer healthcare plans which do not include fundamental benefits, such as hospitalization, maternity care, and prescription drugs.

Ramming this highly partisan repeal bill through the Senate, as its sponsors are proposing, will leave no time for regular order; adequate hearings, consultation with experts, constituent input, and the congressional amendment process. Perhaps by design, there will be no time for the public to fully understand the impacts of this horrible legislation on their health care and their families.

For all of these reasons, I strongly urge you to oppose the Cassidy-Graham plan to repeal the Affordable Care Act.

Please contact Legislative Director Hasan Solomon at (202) 420-5902 if you have any questions.

Sincerely,

Robert Martinez, Jr.

International President