Final Thoughts by Paul Cunningham

In early 2016, my 25-year-old daughter, who lives in Seattle, decided that she wanted to see a part of the world which she’d only read about. So, she made the arrangements necessary to take her adventuresome, self-confident self to Tokyo for a two-week vacation. And, oh, by the way, she would be going ALONE!

Knowing that I wouldn’t be too keen on the idea, my daughter confided about her trip with her mom, with expressed instructions not to say anything until the departure date was close at hand. She was afraid I would worry. Imagine that! My baby girl trekking halfway across the globe to an unfamiliar place filled with unfamiliar people, with no friend or family member in tow to watch after her. Me worry? Of course, I would worry. I’m the dad and that’s my job.

Upon learning about the trip and accepting that there was no way to stop the wheels from turning, I took a step to make the best of it and added a component to our wireless plan for international calling. For a mere $40 a month, I could buy the peace of mind to know that she would still be only a phone call away in case of an emergency. But, the calling plan would have to be purposefully removed once it was no longer needed, or there would be consequences.

Thirty days later, the trip that will leave life-long impressions and memories with my daughter was history. She was safely back at work in Seattle and I gave no further thought to any of it – including the $40 monthly charge for international calling – until the day last month when my wife asked why our wireless bill was so high. KA-BOOM! For almost a year I had paid Verizon only for the privilege of adding to their bottom line. Paying something for nothing is never a good thing.

If you are wondering where this is going, here it is: America’s hospitals will be in a similar spot if Congress passes the proposed American Health Care Act (AHCA). Without some changes in the plan to repeal and replace the Affordable Care Act, hospitals will end up paying billions of dollars toward reducing the federal deficit, but for little else. The impact on Arkansas hospitals will be devastating, changing the landscape of healthcare accessibility in the state and leaving a shadow of severe economic consequence.

In 2009, hospital groups willingly accepted a $155 billion hit to future Medicare and Medicaid payments to help fund the Affordable Care Act. In return, they received the peace of mind that millions of Americans, future patients, would gain healthcare coverage through the law. By 2013, Congress and the administration had unilaterally added another $100 billion to those cuts.

In June, 2015, the Congressional Budget Office (CBO) estimated that repealing the ACA would increase budget deficits by $353 billion over the next 10 years. That estimate included repeal of the entire law, including the Medicare and Medicaid cuts. Last week’s CBO score of the AHCA estimates the legislation would lower federal deficits by $337 billion over 10 years. In this case, the cuts are left in place. But, those “saved” dollars will no longer help to fund insurance subsidies, which won’t be available to the 24 million Americans who could lose their insurance coverage by 2026. And even more future dollars would be chopped as part of an overall strategy to cut Medicaid funding by $880 billion over the coming decade. The math paints a bleak picture for many hospitals that cannot survive under those circumstances.

Returning the uninsured totals and the associated uncompensated care to pre-ACA levels, and beyond, will hurt hospitals everywhere, but especially the small, rural hospitals so common in Arkansas that struggle every day to continue serving their communities. The harm will grow exponentially if the payment cuts remain – for Arkansas, more than $2.1 billion will have been extracted by the end of this year; another $2.3 billion in future payments is at risk through 2026.

Unlike me, hospitals aren’t sitting idly by, unknowing. They are pushing Congress to ensure that any legislated changes to the ACA are guided by the principle of ensuring continued healthcare coverage for the tens of millions of Americans who have benefitted from that law and many members of Congress already are voicing their agreement. Hospital advocates are also strongly objecting to the show of preference for eliminating the revenues from some sources earmarked to fund the ACA, while maintaining and adding to the Medicare and Medicaid reductions for hospital services, which are intended for the same purpose.

Helping to pay for coverage is one thing, but, if coverage is not kept at the current level, those funds must be returned to hospitals and health systems to allow them to provide services to what is sure to be significantly more uninsured Americans.