New Report

Donald Trump Is An Existential Threat to Our Health Care

Project 2025 Lays Out Radical Agenda to Raise Costs and Rip Away Coverage

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The prospect of another Donald Trump presidency means health care is once again on the chopping block. Trump and his allies have already started laying the blueprint to destroy American health care as we know it.

Donald Trump has vowed to "terminate" the Affordable Care Act, hike costs, and rip away Medicare's power to negotiate lower prescription drug prices. MAGA allies at the Heritage Foundation released Project 2025, a dangerous policy roadmap designed to hurt the middle class and give more tax breaks to big corporations and the wealthiest Americans. Project 2025 is a takeover of the government led by MAGA Republicans who are power-hungry and dangerous to our health care.

If Donald Trump gets his way, he will repeal the Inflation Reduction Act and Affordable Care Act, slash Medicaid and Medicare funding, dismantle protections for pre-existing conditions, raise prescription drug and premium costs, and strip away health care from millions of Americans. Tens of millions of Americans will lose affordable life-saving health care and costs will go up for millions more.

Kicking Millions of Seniors, Children, and Low-Income Workers Off Medicaid

President Biden and Democrats are committed to protecting Medicaid and making sure that everyone regardless of income has access to affordable health care. Meanwhile, Trump is <u>fully committed</u> to his plan to slash Medicaid funding by over 50 percent and rip away care from millions. One in four Americans count on Medicaid for access to health care, and the program serves people from all backgrounds, including children, mothers, people of color, working families, people with disabilities, rural Americans, and seniors.

During his first term, Trump waged war on Medicaid. Trump-era Medicaid policies included <u>failed</u> paperwork requirements for families on Medicaid, and proposing to <u>arbitrarily change the poverty</u> line to throw more people off of coverage. Trump proposed billions of dollars in cuts to Medicaid each year he was in office. Heritage Foundation's *Project 2025* repeatedly refers to Medicaid, and especially the ACA's expansion of the program to low-income adults as "failing" and too expensive to maintain. Project 2025 proposes to kick people off Medicaid by tying Medicaid funding to state abortion bans, imposing onerous work requirements, and allowing states to redirect Medicaid funding toward private insurance.

Trump's Plan For Medicaid:

- **GONE:** Coverage for <u>21 million people</u> because of the GOP's onerous work reporting requirements.
- GONE: Free recommended vaccines for people with Medicaid and CHIP coverage.
- **GONE:** Protections and health care for up to half of the <u>38 million</u> children currently covered through Medicaid/CHIP if Project 2025 plans are implemented
- **GONE:** Essential federal funding for states like Mississippi, whose population makes less than the federal average income, to support their Medicaid programs so that working-class Americans can continue to receive quality and affordable health care.
- **GONE:** Federal funding for Medicaid expansion, putting coverage for about <u>24 million</u> Americans at risk.
- **GONE:** Billions in state funding for Medicaid, as Republicans plan to <u>eliminate provider taxes</u> in order to cut taxes for the rich at the expense of Americans' health care.

Raising Prescription Drug Prices

President Biden and Democrats are giving families some breathing room by lowering the cost of

prescription drugs. Meanwhile, Trump continues to <u>take claim</u> for President Biden's progress. While in office, Trump let drug companies charge Americans whatever they wanted and profit as much as they could. Under his administration, drug prices skyrocketed, and millions of Americans lost their health insurance coverage – all while giving billions in tax breaks to drug and insurance companies and their CEOs.

Project 2025 fully repeals the Inflation Reduction Act's prescription drug provisions that are saving Americans thousands of dollars on health care. However, if repeal fails, another Trump administration would have the ability to drop its legal defenses in cases where drug companies are suing to stop negotiation in court and <u>loosen</u> the interpretation of Medicare's ability to negotiate drug prices. This could make more drugs exempt from negotiation and essentially make drug pricing laws defunct. The threat is real. If Trump comes to power and repeals the Inflation Reduction Act, he will raise costs for hardworking families and give drug companies and CEOs more tax breaks.

This is in stark contrast to President Biden and Democrats in Congress, who stood up to big drug companies by passing the Inflation Reduction Act, which gave Medicare the power to negotiate lower drug prices, capped the monthly price of insulin at \$35, capped annual out-of-pocket drug costs for seniors, and penalized drug companies for raising prices faster than the rate of inflation. Together, these provisions are helping seniors afford their medications while saving them thousands of dollars to put toward other essentials like groceries and rent.

The Inflation Reduction Act Under Trump:

- GONE: A \$35 monthly insulin cap for <u>4 million</u> Americans on Medicare.
- **GONE:** Prescription drug savings for people on Medicare, including a \$2,000 annual out-ofpocket cap and protections from drug company price hikes through <u>inflation rebates</u>. Nearly **19 million** <u>American seniors</u> are expected to save an average of **\$400** per year.
- GONE: Free vaccines for <u>52 million</u> people on Medicare, including for shingles and pneumonia.
- **GONE**: Medicare's power to negotiate lower prices for the most popular and expensive prescription drugs. <u>Nearly 9 million</u> people take the first <u>ten drugs</u> that were selected for Medicare negotiation, which accounts for <u>20 percent</u> of annual Medicare Part D spending.
- **GONE**: Prescription drug savings for <u>400,000</u> low-income seniors through the Medicare Part D Extra Help program.
- GONE: Free recommended vaccines for people with Medicaid and CHIP coverage.

Sabotaging and Repealing the ACA

Over his past four years in office, President Biden and Democrats in Congress protected and strengthened the ACA. Through the Inflation Reduction Act, President Biden and Democrats in Congress lowered health insurance costs for people buying coverage on their own. This year, a record <u>21.4 million</u> people signed up for coverage under the ACA, with families saving an average of \$2,400 per year on their health coverage.

Trump notoriously sabotaged affordable health care and pre-existing condition protections while he was in office, and has renewed his calls to "terminate" the ACA <u>throughout</u> his campaign. Trump will not back down on his mission to sabotage or destroy the ACA and throw the entire health care system into chaos. Repealing the ACA means ripping away protections for the <u>over 100 million</u> Americans with pre-existing conditions. People over 50 would be hit with an "age tax" and could be charged five times more for coverage. Getting rid of the ACA would also hike premium costs for millions of working families and put insurance companies back in charge, allowing them to deny basic care like hospital visits and prescription drugs. As a result, tens of millions would lose coverage.

If the Affordable Care Act is repealed:

- GONE: <u>2.3 million</u> adult children under age 26 will no longer be able to stay on their parents' insurance.
- GONE: Insurance companies being <u>banned</u> from charging women more than men.
- GONE: Insurance companies will no longer be required to cap annual and lifetime coverage.
- GONE: Requirements that insurance companies cover prescription drugs and maternity care.
- **GONE**: Protections for <u>over 100 million</u> Americans with pre-existing conditions, including <u>54</u> <u>million</u> people with a pre-existing condition that would make them completely uninsurable.
- GONE: Medicaid expansion, which covers more than 24 million people.
- GONE: Quality, affordable coverage for <u>21.4 million</u> people who buy insurance on their own.
- **GONE**: The Medicare 'donut hole' fix, causing <u>52 million</u> seniors to have to <u>pay more</u> for prescription drugs.
- GONE: Critical funding for rural hospitals.
- GONE: Lower costs and better care for <u>66.7 million</u> Medicare beneficiaries.

Increasing Health Insurance Premiums

Democrats passed enhanced premium tax credits that have lowered the cost of health insurance for millions of hardworking families. Currently, this provision is only available through the end of 2025.

Democrats and President Biden want to keep health insurance premiums low for people who buy coverage through the ACA by making these tax credits permanent. These enhanced tax credits have reduced ACA Marketplace enrollees' premiums by an average of <u>\$800 per year</u>.

However, Trump and his fellow MAGA republicans have other ideas. The *Project 2025* plan would <u>end</u> enhanced premium tax credits that lower insurance costs for Americans, which were originally enacted by Democrats' American Rescue Plan and extended by the Inflation Reduction Act. Getting rid of premium tax credits would keep health care unaffordable and out of reach for millions of Americans.

• GONE: Lower health care premiums for people who buy their own coverage through the Marketplace. Ending these tax credits would mean a <u>typical 60-year-old couple</u> making \$80,000 per year would see their premiums triple to over \$24,000 per year and a family of four making \$125,000 would see an average increase of <u>\$7,676</u> rescinded.

Letting Insurance Companies Rip Off Americans With Junk Plans

While President Biden and Democrats strengthened protections for people with pre-existing conditions, Trump wants to make it harder for people to afford a quality health care plan. A core piece of the *Project 2025* plan would <u>codify</u> rules put forth by the Trump administration that expanded junk health insurance plans known as association health plans (AHPs). *Project 2025* also proposes separating the subsidized ACA exchange market from the non-subsidized insurance market and allowing the sale of non-subsidized plans.

These plans are <u>not required</u> to cover the essential health benefits required by the Affordable Care Act and are allowed to <u>charge people more</u> based on their age, health status, and gender. AHPs have a <u>long</u> <u>history</u> of fraud and <u>unpaid claims</u> and provide <u>weaker cost and protection coverage</u>. The proposal also <u>applauds</u> efforts by the Trump administration to expand short-term limited-duration plans, which engage in predatory marketing practices, fail to protect people with pre-existing conditions, and put patients at risk of bankruptcy when they get sick. The Trump administration's decision to expand access to these plans <u>exposed</u> consumers to scams and reduced transparency about coverage limits and hidden fees.