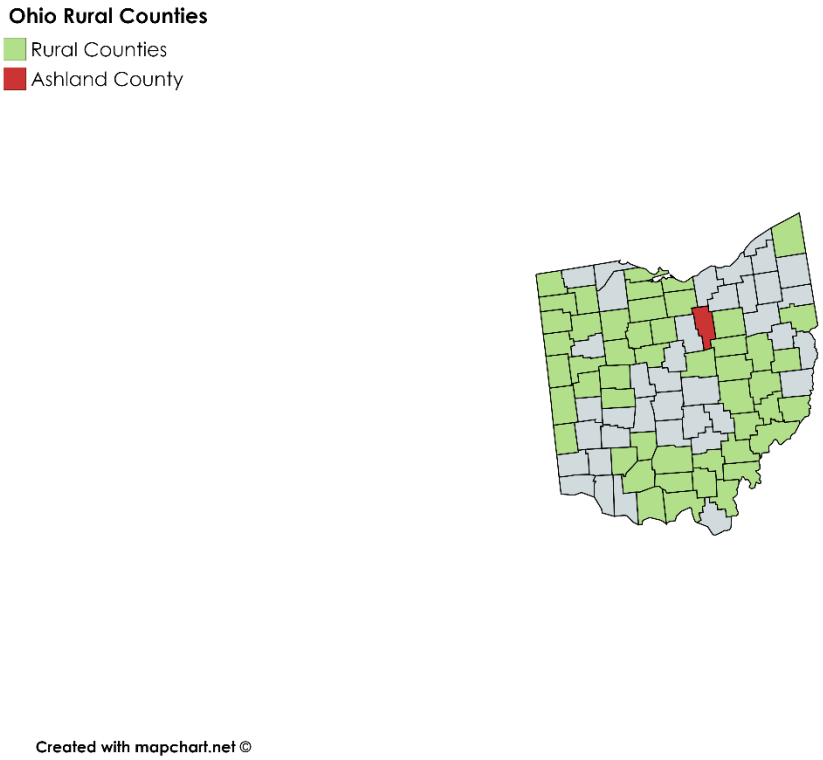
THE HEALTH OF RESIDENTS & THE ECONOMY IN RURAL OHIO

The Better Care Reconciliation Act (BCRA): Not the Answer for Ashland County

Introduction

According to data from the Office of Rural Health Policy, **50 of Ohio's 88 counties are rural**, accounting for more than twenty percent of the state's total population.[39],[40] In more than half of these rural counties, healthcare facilities rank as a top three employer.[41] While rural counties in Ohio and across the country face unique challenges when it comes to the health of their residents and their economies, Ohio's rural communities are also some of the most creative when it comes to finding new, innovative ways to ensure access to care.



Investing in Ohio's rural residents produces healthier communities and fuels economic opportunity. Affordable health coverage not only helps individuals and families lead long, successful lives, it is also a major driving force behind good-paying jobs and economic activity in rural areas across the state.

The Better Care Reconciliation Act: Bad for Ohio

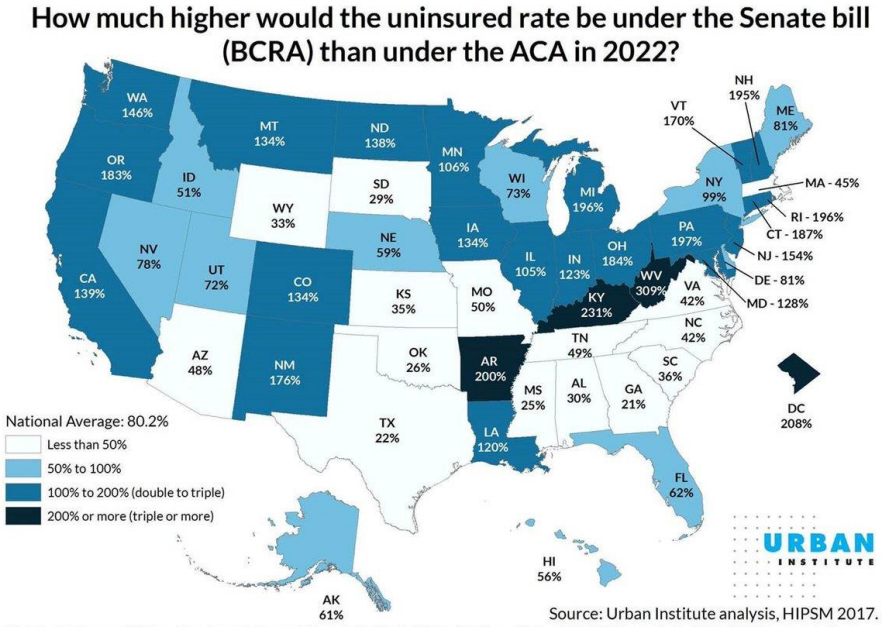
Unfortunately, the U.S. Senate Republican's recently released *Better Care Reconciliation Act* (BCRA) would cause health care costs to skyrocket and create significant barriers to accessing timely, affordable, high quality healthcare, while threatening jobs and related economic activity in Ohio's rural communities. The Chief Executive Officer of the National Rural Health Association, Alan Morgan, said it best: "In its current form, this bill is anti-rural."[42]

Ripping Coverage Away from Ohioans

Thanks to the Affordable Care Act (ACA) Ohio's rate of uninsured is at an all-time low of fifteen percent.[43] The BCRA would decimate the progress local communities – and particularly rural communities – have made in getting more Ohioans insured. The non-partisan Congressional Budget Office (CBO) has estimated that under the BCRA, 22 million Americans who currently have health insurance will become uninsured by 2026.[44] **Nearly one million Ohioans have gained health insurance coverage since passage of the ACA, yet more than one million Ohioans stand to lose coverage under the BCRA**.[45]

The BCRA would cut nearly $800 billion over 10 years from the Medicaid program and weaken the private health insurance market in rural areas by significantly limiting premium assistance, ripping affordable health care from Ohioans living in rural communities.

- **One estimate found that passage of the BCRA would result in a 184 percent increase in Ohio's uninsured rate in 2022, with 152,000 more uninsured children and 970,000 more uninsured adults.**[46]



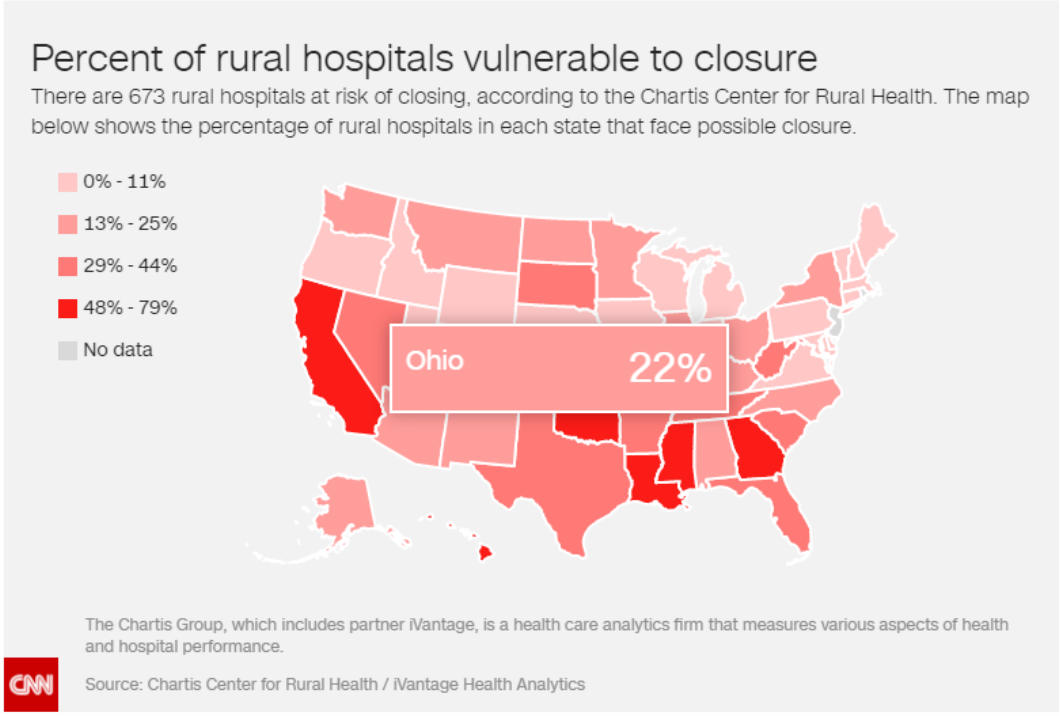
The data show how much higher state uninsured rates would be under the Senate's Better Care Reconciliation Act (BCRA) than under the ACA in 2022. For example, West Virginia's nonelderly uninsured rate would be 309 percent higher under the BCRA than under the ACA, quadrupling from 5.0 percent to 20.3 percent. California's uninsured rate would be 139 percent higher, increasing from 9.0 percent to 21.4 percent. For more information on data and methods, see the full paper: www.urban.org/research/publication/state-state-coverage-and-government-spendingimplications-better-care-reconciliation-act

Reducing Care Options for Ohioans

Rural hospitals in Ohio provide access to quality care to millions of Ohioans close to home. From emergency services to inpatient and outpatient care, laboratory services, pharmacy services, nursing home care, and rehabilitation, rural providers help ensure timely diagnosis and delivery of services for individuals in rural communities. And because many rural communities are older and tend to have more chronic conditions than their urban counterparts, rural providers are especially critical in caring for Ohio's most vulnerable. The BCRA, which would cut nearly $800 billion from Medicaid and cause additional instability in the individual insurance market, will hurt rural providers, and threaten access to care in rural communities.

Rural hospitals and other community providers are already struggling to keep their doors open. The BCRA would add an unsustainable amount of pressure on rural providers, hurting rural communities. Nationally, more than 673 rural hospitals, employing nearly 100,000 workers, are already at risk of closure.[47] Significant cuts to Medicaid funding, as included in the BCRA, could force Ohio to pay providers less for services, restrict current benefits, and apply stricter eligibility criteria for patients. These cuts will impact rural communities the most, causing local hospitals to close, reducing choice for those in the community, and forcing individuals in rural areas to travel farther for necessary care or potentially forgo necessary care altogether.[48]

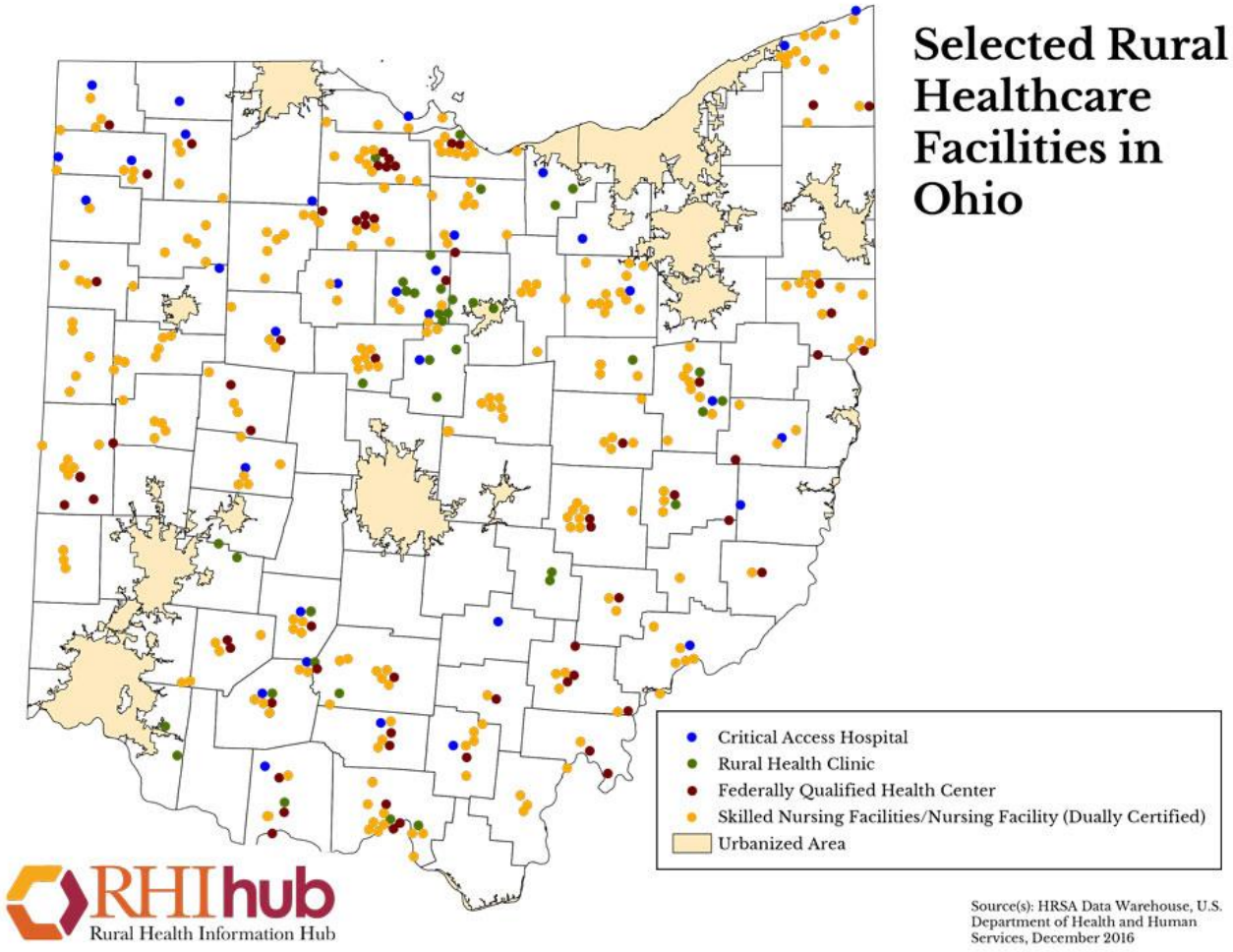
- **According to the Ohio Hospital Association, a quarter of Ohio hospitals would be at risk of closure if a plan like the BCRA became law.[49] Nearly all of the hospitals at risk of closure (22 percent) are rural hospitals.[50]**



Eliminating Ohio Jobs

Health care and social service jobs are a major economic driver in many areas of Ohio, and especially across rural Ohio. More than 16 percent of all workers in Ohio's rural counties work in the health care sector.[51] In 78 percent of Ohio's rural counties (39 of 50), a healthcare provider serves as a top five employer. The health care sector has also been the greatest source of job growth in recent years.[52] Cuts to Medicaid will threaten the sustainability of rural healthcare facilities.

- Experts estimate that passage of the BCRA would result in nearly one hundred thousand (98,800) Ohio jobs lost by 2026.[53]

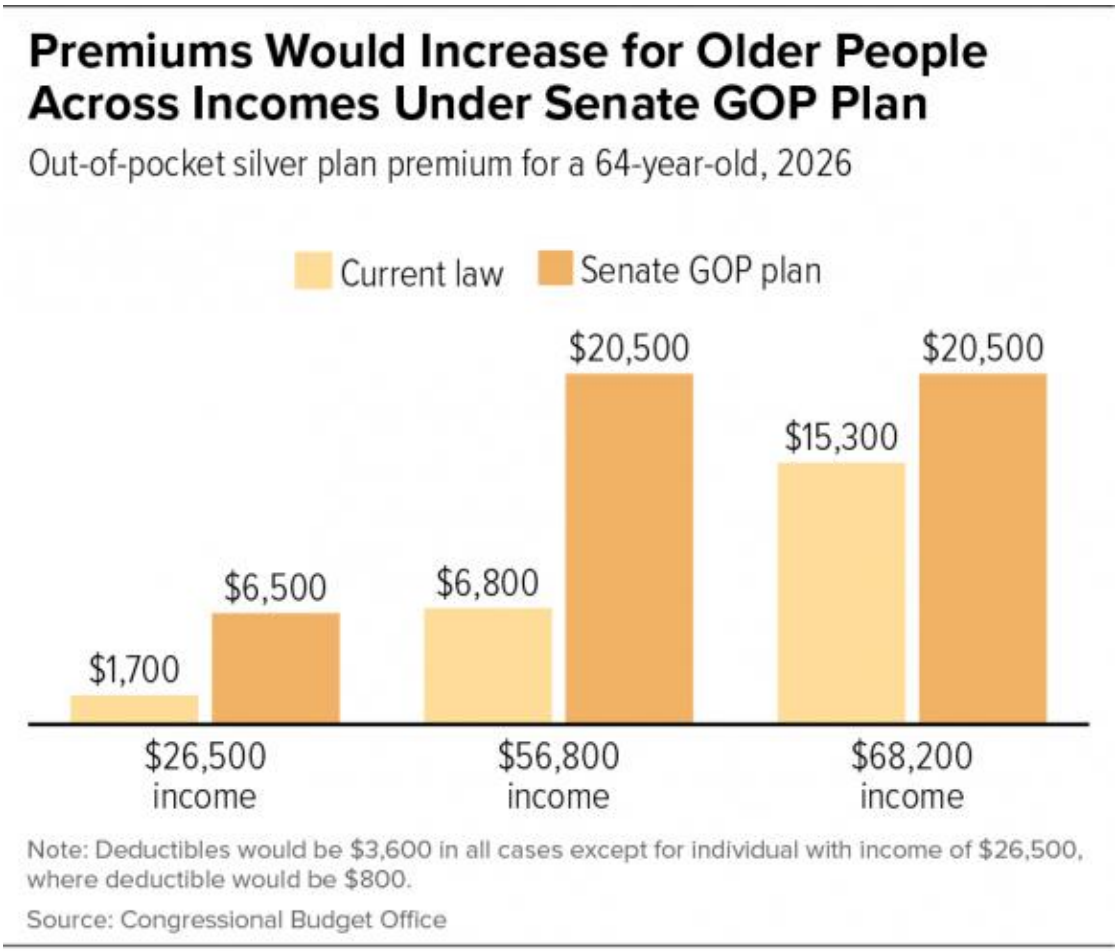


54

Increasing Costs for Ohioans

According to the CBO, in addition to ripping coverage away from more than a million Ohioans, the BCRA would also cause premiums for some consumers to increase in 2018 by 15 to 20 percent. Rising premiums and out-of-pocket costs will make access to health care services, like cancer treatment, diabetes medication, and addiction treatment out of reach for many rural residents. Costs would go up disproportionately for Ohioans between the ages of 50 and 65, as they would be subjected to an additional age tax under the BCRA. The average premium for individuals in Ohio would go up by $1,380 in 2020, and deductibles would also increase significantly.[55,56]

- **According to the AARP, under the BCRA, a 60-year-old in Ohio with a yearly income of $20,000 could pay up to $4,440 more a year in premiums, and up to $4,530 more a year in deductibles, coinsurance, and copayments in 2020. A 60-year-old in Ohio with a yearly income of $45,000 could pay up to $14,220 more each year in premiums in 2020.**[57]



58

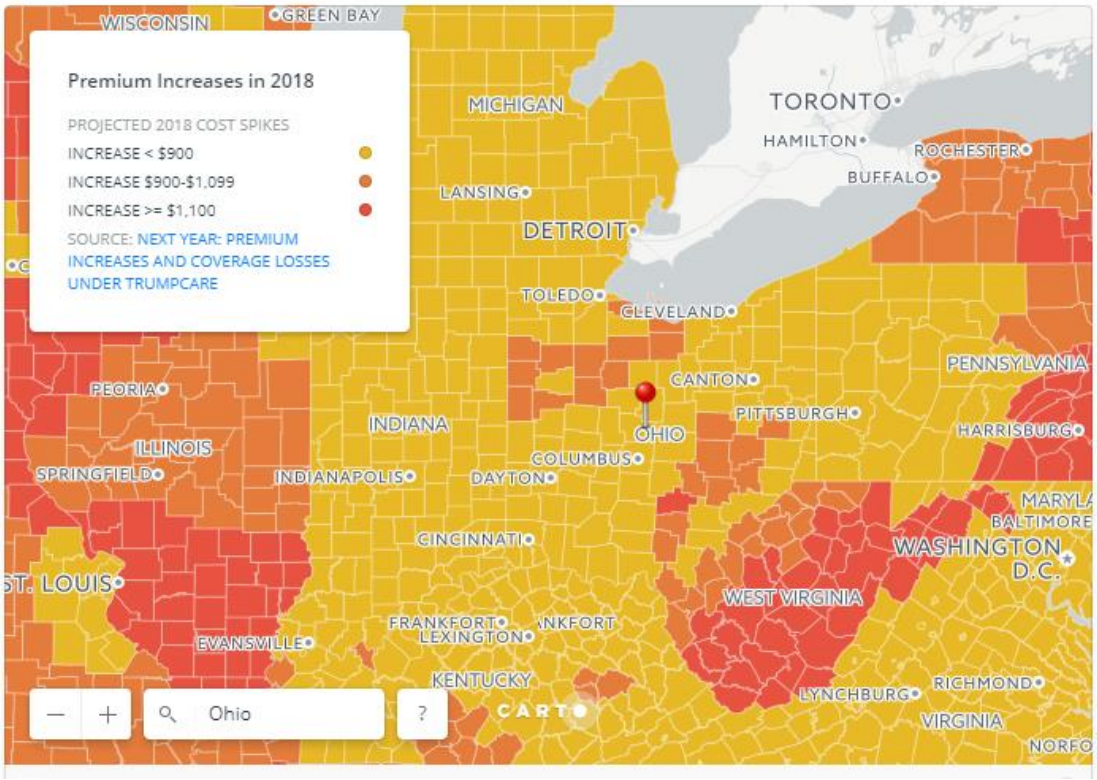
Ashland County:
Worse Off Under the Better Care Reconciliation Act

In Ashland County, **2,318 residents receive affordable health care through Ohio's Medicaid program**, and another **1,040 residents purchase insurance through the marketplace**. If the BCRA were to become law, **all 3,358 of these Ashland County residents could lose their coverage next year**, whether obtained through Medicaid or the marketplace. In addition, individuals who receive health insurance through their employer could lose protections against annual or lifetime limits.

Increased Costs

Under the BCRA, healthcare costs for all Ohioans – but especially for rural Ohioans – will increase significantly. **In Ashland County, Ohio, premiums are estimated to increase by an average of $614 a person in 2018.**[59] The BCRA also includes a double age tax: it allows insurance companies to charge individuals between the ages of 50 and 64 up to five times what they charge other beneficiaries, and reduces the tax credits available for older Ohioans to purchase insurance. As a result of this discrimination under the BCRA, 212,699 (or 9 percent) of Ohioans who are between the ages of 50 and 64 and buy their insurance through the individual market would see the largest increase in premiums.

- **Under the BCRA, a 60-year-old making $30,000 per year in Ashland County, Ohio, would see their premiums increase between 75 and 99 percent.** [20]

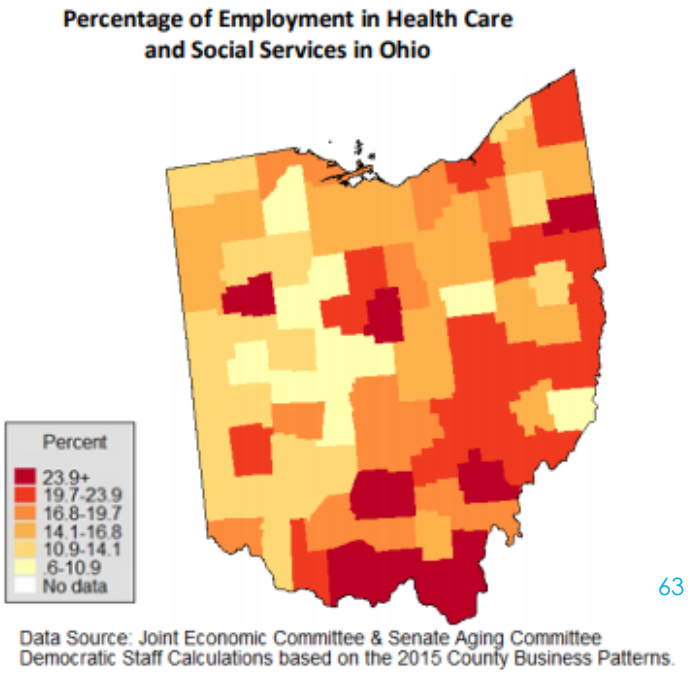


Rural Hospital Closures & Threats to Community Health Centers

Rural hospitals help ensure that families have access to needed health care services, as well as support good paying jobs and economic activity in the area. Medicaid is a critical source of revenue for rural hospitals, which on average have operating margins of less than one percent. The nearly $800 billion in cuts to Medicaid funding under BCRA over 10 years and elimination of resources that help individuals and families afford insurance will jeopardize health care coverage and services for millions living in rural areas – including many vulnerable seniors – and will put the jobs and economic growth in Ashland County at risk.

Ohio hospitals directly or indirectly employed more than 500,000 Ohioans in 2015.[60] **Across all rural counties in Ohio, hospitals employ 5.6 percent of all workers. In Ohio, Medicaid revenues and related funding make up 12 percent of all rural hospital revenues statewide.** Likewise, Federally Qualified Health Centers (FQHCs), which serve all patients regardless of their ability to pay, rely heavily on Medicaid.[61] **Ohio has FQHC locations in 65 of Ohio's 88 counties, employing more than 3,800 Ohioans across the state. More than 57 percent of individuals who receive healthcare services through an FQHC in Ohio are insured by Medicaid.**[62]

Coverage losses from the BCRA would result in decreased reimbursements for care received in the county at hospitals and community health centers, and threaten the availability of good-paying jobs and economic activity. **If the BCRA passes, more than 20 percent of Ohio's rural hospitals may have to close.**



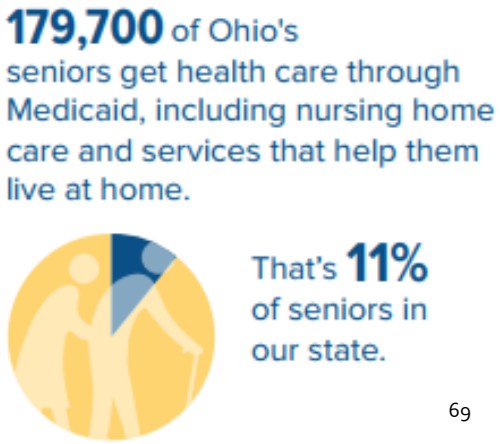
Threats to Seniors in Nursing Homes & Receiving Care in the Community

Long-term services and supports (LTSS) provided in nursing homes and in home and community- based settings help individuals with disabilities and older Ohioans live and age with dignity. **Medicaid is the largest single payer of LTSS costs, and covers approximately half of LTSS costs nationwide**.[64] A cut of nearly $800 billion over 10 years to Medicaid, as proposed by the BCRA, could jeopardize the care seniors and individuals with disabilities receive, as well as reimbursements to providers of long-term services and supports in Ashland County.

Ohio's **960 nursing and residential care facilities** and more than **55,570 home health and direct service providers** supported over **222,000 Ohioans** during 2015.[65] More than 60 percent of Ohio's nursing home residents rely on Medicaid to cover the cost of their care,[66] and 55 percent of residents in Ohio nursing facilities have been diagnosed with a form of dementia. Cuts to Medicaid spending, the majority payer for these services, will result in an **average annual loss to Ohio nursing home facilities of nearly $669,000 each**. These cuts will result in limited services for patients and reduce staffing across facilities. Rural areas – where it is already challenging to attract a health care workforce – would be hit particularly hard.

Ohio's rural counties are aging rapidly. The BCRA disproportionately hurts older individuals, through cuts to nursing home coverage and an age tax on adults over the age of 50, causing premiums to increase in rural counties by significantly more than they do elsewhere in Ohio.[67]

- **In 2010, individuals over the age of 60 made up just 21.6 percent of the population of Ashland County. Experts expect the percent of individuals over the age of 60 to increase significantly over the next decade, reaching 31.5 percent of Ashland County by 2030.**[68]



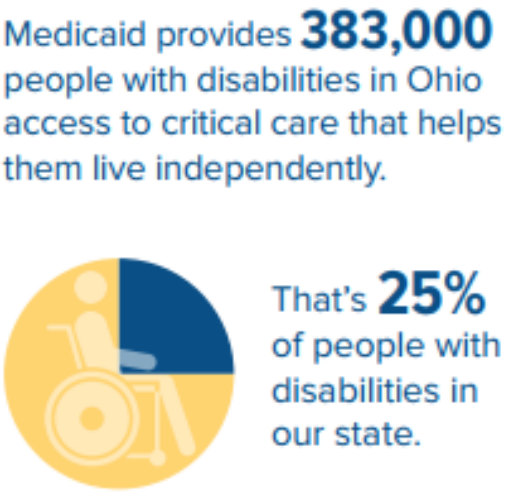
[69]

Elimination of Options for Adults with Intellectual Disabilities

Many adults with intellectual and developmental disabilities are able to live in the community with assistance. Medicaid helps to support these individuals with services related to daily living tasks, therapy, and respite services for family caregivers. In large part, Medicaid helps to support the provision of these services; **more than 74,700 Ohioans with intellectual and developmental disabilities receive services through Medicaid**.[70]

In order for Ohioans who rely on Medicaid to continue to receive their current level of services under the BCRA, more than **1 out of every 5 current Medicaid beneficiaries in Ohio would have to give up their coverage entirely**.

- **In Ashland County, 274 individuals with intellectual and developmental disabilities rely on Medicaid for their care**.



Cuts to Schools and School-Based Services for Children

School districts across all rural counties in Ohio receive Medicaid dollars to cover services associated with a child's special education plan, including occupational and physical therapy, and certain health-related services for eligible children, such as hearing and vision screenings. **The BCRA could cut up to $12 million a year from Ohio schools**, putting pressure on already tight local budgets to fill in the gaps.

- **In Ashland County, local school districts receive more than $164,430 each year in federal funds to support students with disabilities and other health care needs through Ohio's Medicaid in Schools program. If the BCRA passes, Ashland County schools could lose up to $887,923 in federal funds over the next twenty years.**

Cuts to Addiction Treatment and Substance Use Disorder Services

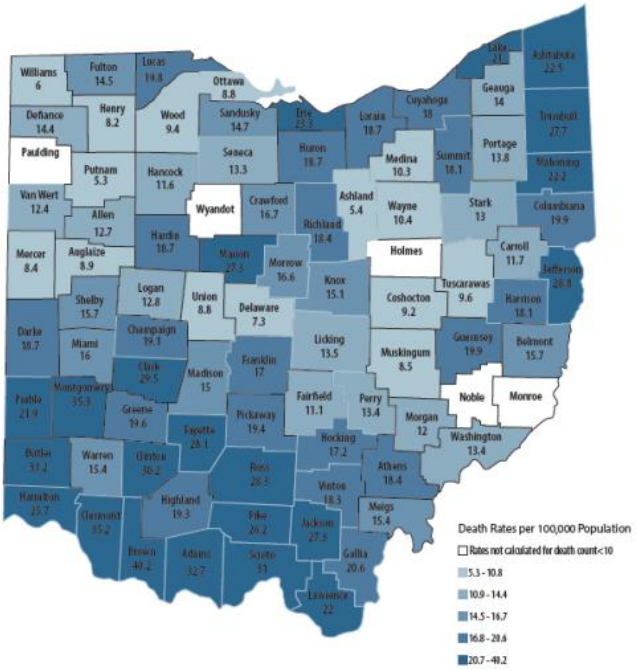
America is in the midst of an opioid addiction crisis, and Ohio is at the epicenter. **More than 16 percent of overdose deaths in Ohio take place in rural counties**.[71] Ohio spent nearly $1 billion dollars to fight the opioid epidemic last year alone, with **70 percent of this investment coming directly from Medicaid**. The BCRA would end Medicaid expansion, which allows thousands of Ohioans to get treatment, and replace it with just $2 billion to address the opioid crisis in the entire country over 10 years. Experts have said even a $45 billion investment will not work.[72] Simply throwing money at this epidemic will not fix the problem – the money included in the BCRA is useless if Ohio does not have a Medicaid program to get people covered.

In Ohio, Medicaid pays for half of all medication-assisted treatment for opioid addiction.[73] In addition, **more than 220,000 Ohioans gained access to essential behavioral health and substance use treatment coverage through the Affordable Care Act (ACA)**, in large part a result of Medicaid expansion.[74] Eliminating Medicaid expansion and further slashing the Medicaid program, as proposed by the BCRA, would potentially disrupt treatment services for hundreds of thousands of Ohioans – many of them in rural counties – who are fighting for their lives.

- **In 2015, nearly 500 rural Ohioans died of a drug overdose, including 6 in Ashland County alone**.

Ohio Drug Overdose Data by County

Figure 10. Average Age-Adjusted Unintentional Drug Overdose Death Rate Per 100,000 Population, by County, Ohio Residents, 2010-2015[1,2]



Reduces Funding for Medicare, Threatening Future Beneficiaries

Despite President Trump's promise to not touch Medicare, **the BCRA cuts nearly $59 billion from the Medicare Trust Fund** over the next decade, jeopardizing the Medicare program for current and future beneficiaries. The BCRA could also cause an **increase in Medicare Part B premiums for the more than 2 million Ohioans (18 percent of the state's population) who rely on Medicare** for their health insurance).

Conclusions

Ohio's rural communities are strong and innovative. The insured rate across the state is at its lowest point in history, and rural hospitals in Ohio are doing better thanks to Medicaid expansion than their counterparts in other states.[75] However, the damage to health care, jobs, and economic activity caused by the Better Care Reconciliation Act would devastate Ashland County and the 49 other rural counties across Ohio beyond repair. Washington politicians with taxpayer funded healthcare should be focused on policies that work for rural Ohio – not wasting their time crafting legislation behind closed doors. Republicans should abandon the BCRA and work with Democrats on bipartisan legislation to protect Medicaid, expand affordable health care for Ohioans and all Americans, and build policies that promote good-paying jobs and economic prosperity.

---

[39] Health Resources & Services Administration, "List of Rural Counties and Designated Eligible Census Tracts in metropolitan Counties," November 20, 2015, available at https://www.hrsa.gov/ruralhealth/resources/forhpeligibleareas.pdf (last accessed July 11, 2017).
[40] Ohio Demographics by Cubit analysis of United States Census Bureau / American FactFinder. "Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2016". Available at https://www.ohio-demographics.com/counties_by_population (last accessed July 11, 2017).
[41] Senator Brown staff analysis of Dun and Bradstreet data from the Mergent Intellect database. Data was retrieved July 3, 2017 by the Congressional Research Service.
[42] "Senate Health Bill Called 'Anti-Rural'." *Huffington Post* June 23, 2017, available at http://www.huffingtonpost.com/entry/senate-health-bill-called-anti-rural_us_594d41b0e4b0c85b96c658d0 (last accessed July 11, 2017).
[43] Anne Saker. "Report: Ohio uninsured rate at its lowest." USA Today, February 7, 2017, available at https://www.usatoday.com/story/news/2017/02/07/report-ohio-uninsured-rate-its-lowest/97556104/ (last accessed July 11, 2017).
[44] Congressional Budget Office. "H.R. 1628, Better care Reconciliation Act of 2017," June 26, 2017, available at https://www.cbo.gov/publication/52849 (last accessed July 11, 2017).
[45] Rachel Nuzum, et al. "How Would Repeal and Replace of the Affordable Care Act Affect Your State?" *To The Point*. The Commonwealth Fund, July 7, 2017, available at http://www.commonwealthfund.org/publications/blog/2017/jul/repeal-and-replace-states (last accessed July 11, 2017).
[46] Linda J. Blumberg, et al. "State-by-State Coverage and Government Spending Implications of the Better Care Reconciliation Act." Urban Institute, June 28, 2017, available at http://www.urban.org/research/publication/state-state-coverage-and-government-spending-implications-better-care-reconciliation-act (last accessed July 11, 2017).
[47] "Rural relevance – Vulnerability to value: A Hospital Strength INDEX® Study." iVantage Health Analytics, February 2, 2016, available at

http://www.chartis.com/resources/files/INDEX_2016_Rural_Relevance_Study_FINAL_Formatted_02_08_16.pdf (last accessed July 11, 2017).

[48] Megan McLemore. "US Senate Health Care Bill a Swipe at Rural United States," Human Rights Watch, June 27, 2017, available at https://www.hrw.org/news/2017/06/27/us-senate-health-care-bill-swipe-rural-united-states (last accessed July 11, 2017).

[49] Robert Siegel. (March 7, 2017) Ohio Hospital Official Raises Concerns About GOP Health Care Plan [Interview]. Available at http://www.npr.org/2017/03/07/519063939/ohio-hospital-official-raises-concerns-about-gop-health-care-plan (Last accessed July 11, 2017).

[50] Michael Nedelman. "Cuts threaten rural hospitals 'hanging on by their fingernails'." CNN, July 1, 2017, available at http://www.cnn.com/2017/06/30/health/rural-hospitals-medicaid-cuts-health-care/index.html (last accessed July 11, 2017).

[51] Senate Joint Economic Committee and Senate Special Committee on Aging, "TrumpCare Threatens Rural Hospitals," June, 2017, for details of analysis and data sources. Available at https://www.jec.senate.gov/public/_cache/files/c875b293-aa4e-410e-84e6-485963ca5cbc/medicaidrural-hospitals-and-seniors.pdf, (last accessed July 11, 2017).

[52] Shelby Livingston. "Healthcare drives yearly job growth." Modern Healthcare, January 6, 2017, available at http://www.modernhealthcare.com/article/20170106/NEWS/170109951 (last accessed July 11, 2017).

[53] Leighton Ku, et al. "The Better Care Reconciliation Act: Economic and Employement Consequences for States." *Issue Brief*. The Commonwealth Fund, July 2017, available at http://www.commonwealthfund.org/publications/issue-briefs/2017/jul/bcra-economic-employment-consequences-states (last accessed July 11, 2017).

[54] "Ohio." Rural Health Information Hub, April 1, 2015, available at https://www.ruralhealthinfo.org/states/images/ohio-rural-health-facilities.jpg (Last accessed July 11, 2017).

[55] Gary Claxton, et al. "Premiums under the Senate Better Care Reconciliation Act." *Health Reform*. The Henry J. Kaiser Family Foundation, June 26, 2017, available at http://www.kff.org/report-section/premiums-under-the-senate-better-care-reconciliation-act-appendix/ (last accessed July 11, 2017).

[56] United States Congress Joint Economic Committee. "Deductible Increases Under Senate TrumpCare by State." Available at https://www.jec.senate.gov/public/index.cfm/democrats/2017/6/deductible-increases-under-senate-trumpcare-by-state (last accessed July 11, 2017).

[57] "Impact of the American Health Care Act on States." *Public Policy Institute*. American Association of Retired Persons, June 2017, available at http://www.aarp.org/content/dam/aarp/ppi/2017/07/ohio.pdf (last accessed July 11, 2017).

[58] Jacob Leibenluft. "CBO: Senate Bill Would Raise Premiums, Deductibles, or Both for Most Marketplace Consumers." Center on Budget and Policy Priorities, June 26, 2017, available at http://www.cbpp.org/blog/cbo-senate-bill-would-raise-premiums-deductibles-or-both-for-most-marketplace-consumers (last accessed July 11, 2017).

[59] Ellen Montz and Jeanne Lambew. "TrumpCare's Projectedf Premium Increases and Coverages Losses Mapped for 2018." *Commentary Health Care*. The Century Foundation, June 30, 2017, available at https://tcf.org/content/commentary/trumpcares-projected-premium-increases-coverages-losses-mapped-2018/ (last accessed July 11, 2017).

[60] "Facts & Figures." Ohio Hospital Association, data from 2015, available at https://www.ohiohospitals.org/Ohio-Hospitals/facts-and-figures.aspx (last accessed July 11, 2017).

[61] Ginger Christ. "Healthcare reform could stifle growth of Ohio community health centers." The Plain Dealer, June 26, 2017, available at http://www.cleveland.com/healthfit/index.ssf/2017/06/healthcare_reform_could_stifle.html (last accessed July 11, 2017).

[62] "About OACHC." Ohio Association of Community Health Centers, accessed July 11, 2017, available at http://www.ohiochc.org/?page=178.
[63] United States Congress Joint Economic Committee. "Deductible Increases Under Senate TrumpCare by State." Available at https://www.jec.senate.gov/public/index.cfm/democrats/2017/6/deductible-increases-under-senate-trumpcare-by-state (last accessed July 11, 2017).
[64] Erica L. Reaves and MaryBeth Musumeci. "Medicaid and Long-Term Services and Supports: A Primer." *The Kaiser Commission on Medicaid and the Uninsured.* The Henry J. Kaiser Family Foundation, December 15, 2015, available at http://www.kff.org/medicaid/report/medicaid-and-long-term-services-and-supports-a-primer/ (last accessed July 11, 2017).
[65] "Medicaid: Funding Nursing Center Care in Ohio." American Health Care Association and National Center for Assisted Living.
[66] "Social Security, Medicare, and Medicaid Work for Ohio." Social Security Works, July 30, 2015, available at https://www.socialsecurityworks.org/2015/07/30/social-security-medicare-and-medicaid-work-for-ohio-2015/ (last accessed July 11, 2017).
[67] James Dennin. "Senate health care bill CBO score: Here's why your insurance costs could rise under the BCRA." *Payoff.* Mic.com, June 26, 2017, available at https://mic.com/articles/180873/cbo-score-heres-why-your-health-care-insurance-costs-could-rise-under-the-senate-bcra-bill#.1rsNBhWHL (last accessed July 11, 2017).
[68] "Ohio's 60+ Population by County 2010-2030." Scripps Gerontology Center, 2015, available at http://www.ohio-population.org/wp-content/uploads/2015/08/New-Poster.pdf (last accessed July 11, 2017).
[69] "Medicaid Works in Ohio." Center on Budget and Policy Priorities. Available at http://www.cbpp.org/sites/default/files/atoms/files/medicaid_ohio_7-9-15.pdf (last accessed July 11, 2017).
[70] "Snapshot: Ohioans with Intellectual and Developmental Disabilities Impacted by Federal Medicaid Reform." Center for Epidemiological Research for Individuals with Intellectual and Developmental Disabilities, 2017. Columbus, OH.
[71] "2015 Ohio Drug Overdose Data: General Findings." Ohio Department of Health, 2015, available at http://www.odh.ohio.gov/-/media/ODH/ASSETS/Files/health/injury-prevention/2015-Overdose-Data/2015-Ohio-Drug-Overdose-Data-Report-FINAL.pdf (last accessed July 11, 2017).
[72] Tony Pugh. "The $45B opioid fund two GOP senators want for health bill won't cut it, experts say." *DC Bureau.* McClatchy, June 20, 2017, available at http://www.mcclatchydc.com/news/nation-world/national/article157211624.html (last accessed July 11, 2017).
[73] Katie Zezima and Christopher Ingraham. "GOP health-care bill would drop addiction treatment mandate covering 1.3 million Americans." The Washington Post, March 9, 2017, available at https://www.washingtonpost.com/news/wonk/wp/2017/03/09/gop-health-care-bill-would-drop-mental-health-coverage-mandate-covering-1-3-million-americans/?utm_term=.995ed75d3297 (last accessed July 11, 2017).
[74] Jackie Borchardt. "Obamacare repeal would leave more than 220,000 Ohioans without mental health or drug addiction services, study says." Cleveland.com, January 11, 2017, available at http://www.cleveland.com/politics/index.ssf/2017/01/obamacare_repeal_would_leave_m.html (last accessed July 11, 2017).
[75] Matt Broaddus. "Affordable Care Act's Medicaid Expansion Benefits Hospitals, Particularly in Rural America." Center on Budget and Policy Priorities, June 23, 2017, available at http://www.cbpp.org/research/health/affordable-care-acts-medicaid-expansion-benefits-hospitals-particularly-in-rural (last accessed July 11, 2017).