

## **Rural Health At Risk Under ACA Repeal**

*More than 50 million Americans live in rural areas and have significantly benefitted from the Affordable Care Act (ACA) through greater insurance coverage. The share of rural Americans who report being unable to afford needed care declined by nearly 6 percentage points since passage of the ACA, and rural hospitals have benefitted from the expanded Medicaid and drug discount program. These communities would be among the hardest hit if Republicans repeal the ACA.*

### **More Rural Americans have Health Insurance Because of the ACA**

Rural America benefits from the ACA.

- Rural individuals saw greater gains in insurance coverage compared with urban individuals ([7.2 percentage point increase versus 6.3 percentage point increase for urban areas](#)) and some rural communities experienced [even larger decreases](#).
- This drop in uninsured occurred even though uninsured rural individuals disproportionately live in states that [have not expanded Medicaid](#).
- The number of rural Americans who are buying health insurance through the Marketplace is growing, increasing by 10 percent to [1.4 million in the last year](#).

### **Rural Communities and Health Insurance Coverage and Affordability**

The ACA helped promote health care affordability in rural communities. Fewer rural Americans are going without needed care; the share of rural Americans [who report being unable to afford needed care declined by nearly 6 percent post-ACA](#). The average net monthly premium among rural individuals with tax credits was \$113 in 2016. [Almost 9 in 10 rural Marketplace consumers received tax credit assistance](#) (compared with 84 percent of urban consumers).

- Among the rural uninsured population, about [three in four people are eligible](#) for health insurance premium assistance in the Marketplace or for Medicaid.
- Before the ACA, rural Americans were paying roughly half of the cost of medical care out of pocket. Now, [70 percent of Americans have a health care option that costs \\$75 or less](#) for premiums each month after financial assistance.

### **Medicaid Expansion Matters**

In states that expanded Medicaid, rural areas received a boost in coverage and reduction in barriers to care. However, almost [two-thirds of the rural uninsured population live in states that have not yet expanded Medicaid](#). Thus, repealing the ACA coverage expansion would close off a potential avenue for Governors to address this inequity in the future.

“The ACA made it impossible for people to be denied health insurance because of pre-existing conditions, like diabetes or lung cancer. Yet, according to the CDC, rural Americans are more likely to die from all five leading causes of death in America than their urban counterparts, including heart disease, cancer, and respiratory disease. [This means that repealing these ACA protections particularly will impact rural areas hard.](#)”

## **Rural Patients and Consumer Protections**

Repeal of the ACA will be particularly detrimental to rural Americans, especially since Republican replacement plans do not propose to keep current protections against insurance company practices.

Under the ACA, rural Americans and their families benefited from many consumer protection provisions, including the following:

- Insurance coverage regardless of occupation, [including being a farmer](#);
- [Insurance coverage regardless of a pre-existing condition](#), such as a cancer diagnosis, asthma, diabetes, or heart disease;
- [No lifetime or annual dollar limits](#) on health care coverage;
- The option for [children to stay on their parent’s insurance policy up to age 26](#);
- [Annual limits on out-of-pocket costs](#);
- Coverage of a [minimum set of “essential health benefits”](#) – including hospital and emergency services, mental health and substance abuse disorder treatment, rehabilitative services, prescription drugs, and preventive care; and
- Coverage of [preventive services without cost-sharing](#) (such as copays or deductibles), including mammograms and colonoscopies.

The Republican proposals would [allow insurance companies to discriminate against consumers with pre-existing conditions](#) and would deny those protections for individuals with a break in insurance coverage (e.g. a day, a week, a year). Historically, [rural residents are not only more likely to be uninsured but also suffer longer periods of uninsurance](#), leading rural residents to again be denied coverage or charged more for pre-existing conditions.

Rural residents also tend to be [older Americans and will face higher premiums under Republican proposals](#) that put insurance companies in charge of patients’ health care. Republicans want to allow insurance companies to increase premium costs for older Americans by changing the age rating bands from 3:1 to 5:1.

## **The ACA and Opioid Epidemic**

The ACA also is helping to combat the opioid epidemic that pervades many rural communities. [Medicaid is the largest source of mental health and addiction treatment](#), and the ACA’s consumer protections ([including, financial assistance, guaranteed coverage, and no annual coverage limits](#)) help families access much needed in-patient and outpatient treatment.

Repealing the ACA would be a huge setback for the help desperately needed to fight the opioid crisis.

[Repeal threatens to siphon off at least \\$5.5 billion per year from treatment for low-income people with opioid addiction and mental health disorders.](#) And repeal of the Medicaid expansion would leave many rural residents not just with no treatment options but with no coverage whatsoever. [In Alaska and West Virginia for example, Medicaid pays for between 35 percent and 45 percent of medication-assisted treatment, a proven method to combat addiction](#)—but these states, among others, likely would be unable to foot the bill if expansion is dismantled.

### **The ACA and Rural Hospitals**

[Rural hospitals also are threatened by the repeal of the ACA, according to independent fact checkers.](#) Rural hospitals will lose funds if the ACA is repealed and may need to close.

The recent Newsweek article, *Obamacare Repeal Threatens Rural Hospitals and the Trump Voters who Depend on Them*, reports that “nationally, the Medicaid expansion under Obamacare offered a bit of stability for some rural hospitals at risk. Researchers say [the ACA] disproportionately benefited such facilities.” The article further contends that the [“repeal of Obamacare without a similar replacement could force many of them to close.”](#)

Rural hospitals and health care providers will be hit hard by any ACA repeal. “And since rural areas show higher rates in many of these chronic health conditions, this population—and their care providers—could be affected disproportionately. [That means rural hospitals and clinics may take more of a hit.](#) A higher percentage of rural patients didn’t have insurance before the ACA, so repeal would mean they are more likely to seek what’s referred to as “charity care” from hospitals”

The ACA further helped rural hospitals by expanding eligibility to 1,100 rural hospitals for the 340B drug program that provides [discounted drug prices for these rural facilities.](#) Rural hospitals often do not have the clout to negotiate such discounts on medicines. These discounts help rural hospitals fund essential medical services for their communities, such as emergency rooms and labor and delivery. Some facilities purchased new state-of-the-art equipment as a result of the hospital savings from this provision, while others expanded patient access. [The bottom line is that the 340B program is critical to the operation of many rural facilities](#) due to the drug cost savings that can be used to fund essential medical services for their communities, as well as sharply reducing the cost of medicine for indigent patients.

**News organizations across the country are reporting on how rural America will be hit hard if the current health laws are repealed:**

*Repealing Obamacare could harm rural Montana hospitals:* “Montana health officials agree on one point: that repealing the law could be devastating for rural hospitals.” **KTVH (NBC) in Montana**

*Maine’s rural hospitals fear crisis if Obamacare is repealed without comparable replacement:* “Those who could potentially lose their insurance are disproportionately concentrated in rural towns that also have a high proportion of self-employed individuals.” **Portland Press Herald**

*Colorado hospitals could close if Obamacare is repealed and not replaced, execs say:* “Rural Colorado hospitals could be especially impacted by an Obamacare repeal.” **Denver Post**

*Rural America Could be Hardest Hit by Repeal of Obamacare:* “It will result in a sudden decrease of the insured rates, leading to a dramatic increase in uncompensated care which will likely drive further rural hospital closures. This will result in a crisis of access to emergency care and harm rural economies, condemning rural Americans to an unbreakable cycle of poor health and poverty.” **Newsweek**

*Rural Missourians to Face Unique Challenges if ACA Repealed:* “‘And the Affordable Care Act provided for a gradual closing of that ‘donut hole.’ It’s almost closed now. But if they were really to just repeal the law, like they would like to do, that ‘donut hole’ comes right back into place,” Bersdale said.” **KSMU Ozarks Public Radio**

*Even In Trump Country, Rural Hospitals Brace For Damage From Health Law’s Repeal:* “But in the wake of this fall’s presidential election, Highlands — like many other rural hospitals — will likely face new financial challenges that will intensify longstanding struggles, experts say. The Affordable Care Act, which President-elect Donald Trump has vowed to repeal, threw a number of life-savers to these vital but financially troubled centers. And its full repeal, without a comparable and viable replacement, could signal their death knell.” **Kaiser Health News**