



Improving Access to Quality, Affordable Health Care for Rural Americans

THE PROBLEM

People living in rural communities have been hit the hardest by Obamacare's collapsing insurance marketplaces because they often face even higher premiums, fewer choices, and less access to doctors and hospitals than people who live in or around cities.

For example, the Obama Administration's own report on the individual insurance marketplaces in 2017 showed premiums increased by:

- 39 percent in South Dakota
- 42 percent in Kansas
- 51 percent in Nebraska
- 69 percent in Oklahoma

As premiums continue to rise for these individuals and families, choices in rural communities are dwindling. As one constituent in Rep. Adrian Smith's district in Nebraska described:

"I'm self-employed and I've lost my insurance four times under Obamacare, twice because of Nebraska's failed co-op. I recently had the grand adventure of going back to the exchange to find my fifth plan in four years. In Nebraska, we only have two insurance companies on the exchange now, and my deductible increased from \$750 to \$1,825. I went through hours of research and phone calls to find a plan with a lower deductible. One option required a \$20,000 deductible if I wanted to keep my doctors. I drive seven hours roundtrip to see my doctors and get the procedures I need, and Obamacare continues to limit my choices for care."

Even President Obama's Former Secretary of Health and Human Services, Kathleen Sebelius, recently admitted rural counties were hardest hit by Obamacare and faced especially limited choices.

THE SOLUTION

The *American Health Care Act* will improve access to affordable, quality health care in these rural communities by eliminating the taxes, mandates, and red tape that drive premiums up and insurers out of the marketplaces there. Specifically, the legislation includes:

Relief from Obamacare's taxes and mandates. Our legislation ends the punitive "individual mandate"—the requirement enforced by the IRS that all Americans buy health insurance they may not want or need. It also eliminates Obamacare taxes like the Medical Device Tax that have stifled



job creation and wage growth, helping workers in rural communities. And it repeals the taxes that have hit consumers most directly, such as the tax on health insurance providers and over-the-counter medications—making it easier and more affordable for rural Americans to access the care they need.

A new Patient and State Stability Fund, which provides \$100 billion to repair state insurance marketplaces damaged by Obamacare and better meet the unique needs of their patients.

States could use these resources to cut out-of-pocket costs, like premiums or deductibles, or promote access to preventative services, like getting an annual check-up or visiting the dentist. That means, in 2018 alone, Nebraska will get an additional \$111 million in federal support, and Missouri and South Dakota will get \$220 million and \$38 million, respectively. Like Maine's invisible high-risk pool or Alaska's state-based reinsurance program, rural states now will have the funding and flexibility to design programs that work best for their unique needs.

Tax credits for low- and middle-income Americans to access health care options tailored to their needs. Our legislation strengthens the individual insurance marketplaces by promoting choice and competition. Unlike Obamacare, individuals and families will have the freedom to purchase a health care plan that's right for them—not one dictated by Washington. Insurers will compete for patients based on price and quality, not Washington mandates. In rural communities, that means the individual insurance marketplaces will stabilize, and the credit will serve as a strong base of support for Americans, including the low- and middle-income individuals and families Obamacare left behind.