

### **AHCA approved by House. What does its passage mean in California?**

Last week the House of Representatives passed the American Health Care Act by the narrowest of margins, with all Democrats and 20 Republicans voting no. It succeeded because of amendments to satisfy the so-called “Freedom Caucus” of very conservative Republicans, who objected to the bill in March, because it left too much of the Affordable Care Act intact.

The key amendment was to allow states to eliminate pre-existing condition protections, and replace them with high risk pools that could be subsidized with federal funds.

The main focus of the media was on pre-existing conditions, which will include and adversely affect, people with mental illnesses and substance use disorders. Both would be considered pre-existing conditions, even if the only treatment was one or two visits to a therapist, or a single prescription for an antidepressant.

This seemed to obscure the other parts of the bill which would soon cost California \$20+ billion annually in MediCal cuts, due to the several million Californians who would lose health insurance. [Governor Brown's message](#) calling it a cruel and ill-conceived bill, was in line with numerous editorials and comments by other leaders.

What will happen to mental health and substance use disorder services is impossible to predict, but they would have to compete for an ever-shrinking pie of federal funds.

### **Not Likely to Pass in Senate without Major Changes**

At least for this year it seems unlikely that a bill that goes this far will be enacted. Several Senate Republicans are on record opposing cuts in Medicaid, with at least one stating that Medicaid expansion is essential in fight the opioid epidemic.

Accordingly, experts in Washington give the bill no chance of passage in the Senate in its current form. Whether there is some type of compromise that would generate the sufficient votes in the Senate is impossible to predict at this time. In any event, we in California will have no direct influence over the handful of Senate Republicans in whose hands our fate presently seems to rest.

### **All 14 California Republicans Voted for the Measure**

We have 14 House Republicans in California that are neither in the conservative block nor the moderate block of Republicans who were opposed to the bill last month. Last week it appeared as though several of them had reservations about the bill; at least one congressman (Jeff Denham) was opposed before the final amendment that added funding to the high risk pools.

All 14 voted for the measure, including the seven representing congressional districts carried by Democratic presidential candidate Hillary Clinton. This has been interpreted to mean that they were convinced that the political advantages of fulfilling the promises made to repeal Obama Care, and the opportunities presented by remaining in good graces with the President and House leadership, as well as their own political base, outweighed the risks of offending the many constituencies who may work against their reelection next year.

Even though they have now cast a seemingly final vote, healthcare will continue to be a major topic whenever these members of Congress come back to their districts. We can expect continued boisterous town hall meetings.

### **Healthcare is Still a Top Issue and the Need to Educate All Members of Congress Continues**

Whether the opportunity is useful or not for raising behavioral health issues, it is still an important time for all of us to continue to educate all members of Congress, as well as other elected officials about the importance of both publicly and privately funded behavioral health care, the challenges that people face now, and how much worse it would be if this or any other major cuts take place.

Since the expectation is that this bill will not pass the Senate in this form, it means there is a good chance that a different version of the bill will pass the Senate. If that happens, House members must vote again on a different proposal and their interest in learning will be peaked, and so will our need to educate them.

Most of us are affiliated with national organizations that will provide talking points on specific arguments. For now, most of that will be focused on Senate Republicans, and we don't have any from California.

### **Develop a Relationship and Tell Your Story**

Our role at this time is to continue to build relationships and educate others about how behavioral health problems affect all of us, and how important it is to have insurance coverage and federal funding to address these issues.

If you are a consumer or family member, your personal story is extremely powerful and important. You don't need to have a story like Jimmy Kimmel's baby to make the point about a pre-existing condition. Simply state what you have been through and the amount of care that has been, and will be, required.

Make sure to cover the fact that most adults with severe mental illness lose their jobs and employer-provided insurance and must depend on Medi-Cal, which this law significantly cuts.

If you are a provider, talk about the success you've had with the people you serve. Tell them how many fewer of them you'd be able to serve if millions of people lost their public or private health insurance.

If you are a government official, talk about your current budget challenges in reaching the large numbers of people there are currently unserved, and the consequences that brings in homelessness, hospitalizations, incarcerations, school failure and out-of-home placements.

**All of us should talk about the stigma that still persists** and how behavioral health services are likely to take much bigger cuts than the rest of healthcare. It was estimated that the Affordable Care Act would increase funding for mental health by 30% and for substance use disorders by 50%.

*The AHCA would cut these programs by even more than what the Affordable Care Act added.* If you work with or have been affected by the opioid crisis, this should be the leading topic of discussion. There is widespread awareness of how critical it is, but more limited awareness about how this law would make it impossible to successfully address.

The first step of action now is to thank your Representatives in Congress who voted against the measure, and to seek a meeting with those who voted for it in hopes of educating them about the consequences of what they voted for.

Congress is in recess this week, but if you don't get a meeting now, there is still plenty of time as there is no vote pending anytime soon.

**Governor's May Revise Budget will be Out on May 11.**

In most years, we have a pretty good idea of what the revised budget will do, as it usually continues the trend that existed in January. However, this is a very unusual year. April tax collections were below expectations, but we also had the major IPO from Snapchat. That was bigger than the one from Google 10 years ago, which was credited with balancing the state budget all by itself and could mean increased revenue forecasts for 2017-18. We also don't know how cautious the financial forecast will be, based upon fears of cuts in federal funding. Had the House failed to pass a health care measure, those fears likely would've been significantly reduced. Its passage could lead to a continued cautious forecast, even though Senate passage is unlikely.

A more optimistic budget forecast could lead to restoration of the \$17 million in Youth Crisis funding that was cut in the Governor's January budget, as well as other budget priorities such as the realignment of In-Home Support Services that would reduce County mental health funding by \$25 million in 2017-18, and increasing annual amounts thereafter.

A cautious budget puts these funds at risk and requires an all-out effort to get legislative leaders to make these the top priority in their negotiations with the Governor. We will have a special update sent to CCCBHA members and an advocacy request if that looks necessary when we see the May Revise.