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## Congress of the United States House of Representatives

May 5, 2017

Mr. John D. Hicks  
201 Old Sidney Rd  
Comanche, TX 76442-2170

Dear Mr. Hicks:

Thank you for contacting me with your thoughts on how we can repair our broken health care system. I appreciate you giving me an opportunity to update you on the recent developments to the Republican's health care proposal and additions that were included in H.R. 1628, the American Health Care Act. H.R. 1628 passed the House of Representatives on May 4, 2017, and is now being considered in the Senate.

The Affordable Care Act, more commonly known as Obamacare, has been a disaster for the American people. Nearly 4.7 million people have been kicked off of their health care plans. Premiums have risen by an average of 25% this year alone and nearly a third of US counties have only one insurer offering an exchange plan. Recently, the CEO of Aetna, one of the country's largest health insurance companies, stated that Obamacare is in a "death spiral". It is becoming increasingly obvious that we must repeal Obamacare and repair the damage done to our nation's collapsing health care system.

President Trump and Congressional Republicans have adopted a three-pronged, step-by-step approach that will repair our broken health care system and promote market driven, rather than government mandated solutions. This three tiered process includes: 1.) using a budget process called reconciliation to repeal the taxes within Obamacare; 2.) using administrative action that gives the secretary of Health and Human Services (HHS) enormous amounts of discretion on how to administer and improve health care; 3.) additional legislation that will help expand coverage and drive down costs.

### **Step 1: Using the reconciliation process to repeal Obamacare taxes**

The first step of President Trump's health care reform is to repeal the taxes of Obamacare that have driven up premiums and insurers out of the market. In order to do so, Congress must use a special legislative process called "Reconciliation" to repeal the main taxes within Obamacare. Reconciliation only allows consideration of a bill pertaining to budgetary matters and is not subject to the Senate's 60 vote passage or a filibuster. With only 52 Republicans in the Senate, reconciliation is an important tool to repeal Obamacare and repair health care. In addition, this practice can only be used once per budget agreement as outlined in law. Some of the budgetary items that the reconciliation bill will repeal are the penalties related to the individual and employer mandates, taxes that are placed on Medicare to fund Obamacare, the tax on medical devices, among many more.

In addition to repealing the main taxes of Obamacare, President Trump is using conservative reforms to help transition our nation back to a patient-centered health care system. These reforms include expanding access to health care savings accounts and strengthening Medicaid by allowing states to have greater funding flexibility to better serve people in need while enhancing work requirements for Medicaid recipients who are able-bodied adults with no dependents. Under the American Health Care Act (AHCA), individuals will be able to qualify for a monthly refundable tax credit if they do not meet the eligibility requirements for Medicaid and if their employer doesn't offer health insurance benefits. Unlike Obamacare's flawed subsidies, these tax credits are based on a person's age and family size and will gradually phase out as their income increases. This ensures that hardworking Americans are not left behind.

**Furthermore, the AHCA also prohibits insurers from discriminating against people with preexisting conditions and allows young adults to stay on their parents' health care plan until they are 26.** This legislation also prohibits any federal tax credits from being used towards plans that pay for abortions. For these reasons, the National Right to Life Committee—the oldest and largest pro-life organization in the United States—strongly supports this bill. This legislation also includes a



provision that will allow states to seek a waiver from certain health care requirements that may not apply to all individuals, such as forcing maternity care options on the elderly. In order to be exempted, the states will have to specify how they will use that waiver to increase coverage, lower premiums, stabilize premiums for individuals with preexisting conditions, stabilize the market, or increase consumers' choices. States that request this waiver must also have a risk-sharing program in place such as the Federal Invisibile High Risk Sharing Program. The AHCA will empower millions of Americans to reclaim control of their personal and family health care decisions.

**Step 2: Using Administrative action**

Along with the American Health Care Act, HHS Secretary Tom Price is working to remove Obamacare obstacles in the marketplace to allow for more choice and competition in the marketplace. Secretary Price, who is a former Member of Congress, physician, and leading critic of Obamacare, understands the effects of these burdensome regulations and what it takes to move towards a patient-centric health care system. In addition to Secretary Price's effort, President Trump is already taking these steps by rolling back these unwanted regulations through an executive order that instructed federal agencies to "minimize the unwarranted economic and regulatory burdens" of Obamacare.

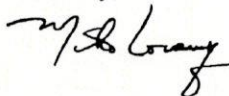
**Step 3: Implementing new legislation to promote competition**

Finally, Congress will pass additional legislation that is necessary to give us a truly competitive health care marketplace. These measures include H.R. 1101, the Small Business Health Fairness Act, which allows small businesses to join together through association health plans and offer their employees greater access to affordable health care. In addition to H.R. 1101, the House also passed H.R. 372, the Competitive Health Insurance Reform Act of 2017, which removes an exemption for health insurance companies from federal antitrust laws. Combined together, H.R. 1101 and H.R. 372 will provide immediate relief by driving down health care costs. Other legislative reforms include allowing individuals to purchase plans across state lines, tort reform, increasing competition with pharmaceutical companies and many more.

Our current health care system under Obamacare is hurting more than it is helping, as premiums increase and options decrease. This step by step plan delivers on our promise to repeal Obamacare and repair our nation's health care system. I remain committed to ensuring that every American can have access to affordable health care. If you would like to know more information on the American Health Care Act, you can find the detail here: [passthebill.gop](http://passthebill.gop).

Again, thank you for contacting me; I appreciate hearing your opinion on this issue. If you have any further questions, please don't hesitate to call, write, or email me. For more information on my work in Congress or to sign up for my weekly e-newsletter, please visit the 11th District's website at [www.conaway.house.gov](http://www.conaway.house.gov). You can also follow me on Facebook at <http://www.facebook.com/mike.conaway> and watch my speeches and interviews on YouTube at [www.youtube.com/mikeconaway11](http://www.youtube.com/mikeconaway11).

Sincerely,



K. Michael Conaway  
Member of Congress