

Taking Steps Forward to Cover the Uninsured:

Helping Low- and Moderate-Income Individuals Get Covered

As millions of Americans have gained coverage resulting from the Affordable Care Act (ACA), progress has been made on a long-standing policy priority of the American Medical Association (AMA) – expanding access to and choice of affordable, quality health insurance coverage. Instead of abandoning the ACA and threatening the stability of coverage for those individuals who are generally satisfied with their coverage, the AMA believes that now is the time to invest not only in fixing the law, but also in improving it. Improving the ACA appropriately targets providing coverage to the uninsured population, rather than upending the health insurance coverage of most Americans. Modifications to the law could also improve the coverage options for many who are underinsured and/or cite costs as a barrier to accessing the care they need.

Steps to Make Coverage More Affordable for Patients

- Eliminate the subsidy “cliff,” thereby expanding eligibility for premium tax credits beyond 400 percent of the federal poverty level (FPL).
- Increase the generosity of premium tax credits.
- Expand eligibility for and increase the size of cost-sharing reductions.
- Provide young adults with enhanced premium tax credits while maintaining the current premium tax credit structure, which is inversely related to income.
- Fix the ACA’s “family glitch,” and lower the threshold that determines whether an employee’s premium contribution is “affordable,” which impact eligibility to receive subsidies to purchase marketplace coverage.

- Expand Medicaid eligibility to 133 percent FPL. To incentivize expansion decisions, states that newly expand Medicaid should be made eligible for three years of full federal funding.
- Develop demonstration projects to fund health savings accounts (HSAs) to help individuals eligible for cost-sharing subsidies who enroll in bronze plans afford plan cost-sharing requirements.

Steps to Improve the Individual Market Risk Pool

- Enact individual mandates on the state level.
- Provide adequate funding for and expand outreach efforts to increase public awareness of advance premium tax credits.

Steps to Stabilize and Strengthen the Individual Market

- Establish a permanent federal reinsurance program. In the interim, promote the use of Section 1332 waivers for state reinsurance programs.
- Oppose the sale of health insurance plans in the individual and small group markets that do not guarantee: a) pre-existing condition protections; and b) coverage of essential health benefits and their associated protections against annual and lifetime limits, and out-of-pocket expenses, except in the limited circumstance of short-term limited duration insurance offered for no more than three months.