



The San Francisco Department of Public Health

# Post-Election

Supporting DPH patients, clients, and staff

Update #3, January 23, 2017

1/24/2017





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# Current Situation

To date, no changes have been implemented.

Our patients and clients should be encouraged to access health and insurance services as they have been.

We are not certain what changes are coming.

There is speculation about potential changes that could impact SFDPH and those we serve, including:

- Sanctuary City and federal grants
- Affordable Care Act

# State Budget Update

**Governor Brown released his proposed budget for FY 2017-2018 (1/10).**

**The budget remains largely flat for Health & Human Services. Highlights include:**

- Maintained commitment to provide full-scope Medi-Cal for undocumented children
- Backfill of expected federal funding decreases for the Children's Health Insurance Program
- A \$2 billion bond for permanent supportive housing for people with mental illness
- Discontinuation of the Coordinated Care Initiative for dual Medi-Cal/Medicare eligibles
- Allocation of funding from last election's ballot initiatives to cover increased Medi-Cal costs

**The Governor's budget does not take into account the impact of potential changes to the Affordable Care Act.**



# Federal Appointment Confirmations

## **Cabinet confirmations hearings have begun**

- Nominees cannot be confirmed until Inauguration Day (1/20)
- Hearings are occurring now to have nominations ready by 1/20
- HHS Secretary Nominee Tom Price went before the Senate Committee on Health, Education, Labor and Pensions on 1/18
- Actual confirmation hearing before Senate Finance Committee on 1/24

Secretary of Health & Human  
Services Nominee:  
Representative Tom Price

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# Affordable Care Act: Budget Resolution

## About Budget Resolutions

- Also called “reconciliation.”
- An agreement between the House and the Senate on a budget plan for the upcoming fiscal year that provides a framework for subsequent legislative action.
- Can change only budget-related provisions; other provisions require separate legislation.
- Requires a simple majority vote.
- Does not need to be signed by the President.

## **FY 2017 Budget Resolution (CR 3)**

- Introduced on 1/3/17
- Passed in the Senate on 1/12/17
- Passed in the House on 1/13/17
- Directs House and Senate Committees to submit legislation by 1/27/17 that specifies ACA changes
- Includes reserve funds to preserve savings resulting from the repeal of ACA provisions to offset the cost of a replacement plan

# Affordable Care Act: Repeal and Replace

**It is still unclear what provisions of the ACA will be repealed and/or replaced.**

- Movement to include not only “repeal” but also “replace” provisions in the reconciliation bill
- Examples of items that could be addressed in the reconciliation bill:
  - Phase out or rollback of matching funds for the Medicaid expansion
  - Eliminating individual and employer mandate penalties
  - Ending Premium Tax Credits and creating a new Individual/Family Tax Credit.

The President-Elect has made several recent statements about the ACA and his plan.

- Developing a plan to repeal and replace the ACA “essentially simultaneously”
- Plan will include “insurance for everybody”
- Will wait until HHS Secretary Tom Price is confirmed to release his plan

# Affordable Care Act: Potential Repeal Plan

## **In 2015, Rep. Price proposed an ACA repeal bill (vetoed by the President):**

- The bill proposed repealing major portions of the ACA with no replacement, including:
  - Tax penalties for failing to comply with the individual or employer mandates;
  - Expansion of Medicaid coverage for low-income people; and
  - Federal subsidies to help consumers buy policies on the exchanges.
- According to the Congressional Budget Office, repealing without replacement would:
  - Cost 18 M people to lose insurance in the 1<sup>st</sup> year, rising to 32 million by 2026;
  - Increase health insurance premiums 20-25% and double by 2026; and
  - Have adverse effect on insurance markets.

***Important to note:*** The 2015 bill contained only ACA “repeal” provisions but not ACA “replace” provisions now being discussed to accompany repeal.



# Affordable Care Act: Executive Orders and Administrative Action

## About Executive Orders

- Executive orders are generally directed at government agencies and only indirectly affect individuals.
  - An executive order cannot, repeal or amend a statute and is not authoritative if it is contrary to law.
- Presidential Administrations can exercise authority through issuing executive orders, rules, and guidance.
    - The ACA was implemented primarily through rules and guidance, not executive orders
    - Rules that have been published and implemented have specific public notification requirements before they can be changed
    - Guidance (e.g., FAQs) can be published without notice but cannot amend laws or rules.
  - Presidential Administrations have the ability to reduce resources to or cease enforcement of undesirable elements of the law.

# Affordable Care Act: Executive Order Issued

**On 1/20/17, President Trump issued an Executive Order directing agencies to “minimize the unwarranted economic and regulatory burdens” of the ACA:**

- Directs agencies to waive, defer or delay, to the maximum extent allowable by law, any provisions that impose a fiscal or regulatory burden
- Authorizes agencies to give more flexibility to States
- Allows agencies to take actions such as: granting more exceptions to the tax penalty or allowing States to impose new requirements for Medicaid

**The Executive Order on its own does not repeal the ACA, but it could affect health insurance markets and the current healthcare system.**

# Affordable Care Act: Local Impact

**The ACA has had many positive local impacts on SF residents.**

- 95,000 new enrollees in Medicaid expansion
- 40,000 insured through Covered California
- Uninsurance rate cut in half
- Fewer San Franciscans are delaying needed care
- More San Franciscans assess their own health as good or better

# What San Francisco is doing

## **The City hosted a Bay Area Congressional discussion on ACA**

- Led by Democratic Leader Nancy Pelosi and Representatives Jackie Speier and Barbara Lee
- 1/7/17 at ZSFG and 1/15/17 at City Hall
- Leaders talked about gains made under the ACA and SFHN patients shared stories.

## **Mayor Lee launched the Equity and Immigrant Services Campaign to:**

- Serve the legal needs of the City's immigrant community
- Promote ongoing strategy for city departments to partner with community-based organizations
- Expand education, outreach, and provide multilingual legal services

# What San Francisco is doing (cont.)

## **Mayor Lee and Supervisor Sheehy convened an ACA roundtable.**

- Included DPH and Human Services Agency and representatives from the city's provider communities

## **Board of Supervisors created a Budget & Finance Federal Select Committee to address potential changes in federal policy.**



# What SFDPH is doing

## **SF Chronicle Op-Ed written by Directors Garcia and Rhorer (1/13/17)**

- ACA has made SF healthier and strengthened our social safety net.
- We are dedicated to maintaining these gains.
- Health care reform is an investment in our friends, neighbors and families.
- No proposals to replace ACA will improve our health care system if they threaten to have our most vulnerable citizens revert to going without insurance or doing without routine care.

# What SFDPH is doing (cont.)

Developing and sharing communications tools for patients, clients, and staff

- Office of Policy & Planning – Colleen Chawla, Nicki Sandberg
- Communications Office – Rachael Kagan, Linda Acosta

Representing DPH in city/community conversations regarding Sanctuary City

- Director of Interdivisional Initiatives – Ayanna Bennett
- Office of Policy & Planning – Sneha Patil

Tracking and analyzing policy developments

- Office of Policy & Planning – Colleen Chawla, Cyndy Comerford, Nicki Sandberg

Conducting a risk assessment and leading budget planning activities

- Finance – Greg Wagner, Jenny Louie

# What you can do

- Continue to support your patients, your clients, and your colleagues.
- Use only SFDPH-approved communication materials (available on the [Post-Election website](#))
  - You're Safe Here! Flyer
  - Message from Barbara Garcia postcard
  - PowerPoint presentations for staff
- Email questions or topics you would like covered in future updates to [post-election@sfdph.org](mailto:post-election@sfdph.org)





# Director Garcia's message to patients & clients

- The election has not changed our commitment to you to provide quality health care.
- Please continue to seek services with your San Francisco Department of Public Health providers, including care at our clinics and hospital services at Zuckerberg San Francisco General and Laguna Honda.
- We will continue to provide health care to all San Franciscans in need, regardless of immigration or insurance status.