Health law repeal would have significant, negative impacts for Minnesota’s health, budget and economy

As policymakers in Washington D.C. discuss fundamental changes to the Affordable Care Act (ACA), including its repeal, it is important to know what the effects of a repeal would have on the millions of Americans benefiting under the law—including states like Minnesota which have received and invested billions in additional federal funding.

According to the non-partisan Congressional Budget Office, repealing the ACA would cause 18 million Americans to lose health coverage in the first year, and within a decade more than 30 million would be added to the ranks of the uninsured. Additionally the CBO estimates that within a decade premiums for individuals purchasing health insurance on the private market would double. In Minnesota, repealing the ACA would have significant, negative impacts on our health, state budget and economy.

A repeal of the ACA would threaten health care coverage for over 400,000 Minnesotans.

Minnesota has a bipartisan history of providing health coverage to help low-income and working people access health care through its Medical Assistance and MinnesotaCare programs. With the advent of the ACA, Minnesota expanded affordable health coverage to middle class Minnesotans through MNsure.

- All told, Minnesota has made great strides in improving access to coverage under the ACA. While there’s still more work to do in improving private insurance rates in the individual market, the state now has the lowest uninsured rate in the state’s history with 96 percent of Minnesotans insured.
- About 300,000 of the people at risk of losing coverage are lower income Minnesotans in Medical Assistance and MinnesotaCare— with nearly a quarter relying on these programs to access the comprehensive behavioral health services that keep them healthy and lower costly emergency room visits. Nearly half are young adults, and a third are older adults who are shy of qualifying for Medicare.
- About 110,000 of the individuals at risk of losing their coverage with a repeal, bought private health insurance through MNsure, over 60 percent of whom received premium tax credits to lower their premiums.

Repealing the ACA would put a financial strain on the state, family budgets and the hospital system

- Minnesota stands to lose $2 billion annually in federal funding for its Medicaid expansion and MinnesotaCare populations, putting strain on the state’s ability to maintain current coverage and benefit levels. Over time, these losses could make it difficult for the state to provide coverage of basic health care for low-income adults, children, and health and long-term care for the rapidly growing population of seniors and people with disabilities who need these programs.
- In 2017 over 65,000 Minnesotans are projected to receive nearly $350 million in premium subsidies, averaging $632 per household, or over $7500 year.
- Since the implementation of the ACA in 2013, uncompensated care costs at hospitals have decreased by 16.7 percent in Minnesota, according to new analysis by the Minnesota Department of Health (MDH). A repeal would likely reverse this progress given the number of people who would lose access to affordable coverage.

A repeal of the Affordable Care Act (ACA) would harm Minnesota’s thriving workforce and economy.

- According to a nationwide study, ACA repeal could result in a $140 billion cut in federal funding for health care in 2019. This could lead to about 2.6 million jobs lost in 2019 and nearly $3 million by 2020.
- This study also found that a repeal of the ACA could have a $1 billion impact on Minnesota’s health care economy, resulting in 53,000 jobs lost.