



***Farmworker Justice Opposes the Senate's
"Better Care Reconciliation Act of 2017"***

The Better Care Reconciliation Act of 2017 (BCRA), first released on June 22 and revised on July 13, would replace and repeal key provisions of the Affordable Care Act. Similar to the House version, the American Health Care Act (AHCA), passed on May 4, 2017, the proposed Senate bill will reduce access to comprehensive health insurance for farmworkers and their families.

Our analysis of the American Health Care Act can be found on [our website](#).

How is the Senate Bill (BCRA) different from the House Bill (AHCA)?

While there are many similarities between the Senate and House bills, there are important differences. Some of these differences include:

- Immigrant eligibility for marketplace health insurance – AHCA does not change current eligibility to purchase health insurance in the marketplace. BCRA restricts marketplace eligibility to those who meet the “qualified alien” definition under section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).¹
- Income eligibility for tax credits – Tax credits under AHCA would be based primarily on age, rather than a consumer’s Federal Poverty Level (FPL). BCRA would retain ACA’s tax credit eligibility based on age and FPL.
- Preexisting conditions and continuous coverage – Under AHCA, consumers with a break in coverage of more than 63 days would be penalized with a 30% increase in their premiums. These consumers would also be subject to higher premiums due to any preexisting conditions. The BCRA’s continuous coverage provision would impose a 6-month waiting period for consumers who enroll in health insurance after a break in coverage longer than 63 days.

Further analysis of the House bill and the proposed Senate bill can be found [here](#) on the Center on Budget and Policy Priorities website.

¹ 8 U.S.C.S. § 1641

How would the Senate draft reduce farmworker access to health insurance?

Change in Immigrant Eligibility for Marketplace Health Insurance and Tax Credits

Anyone who is lawfully present in the United States is currently eligible to purchase health insurance in the marketplace and qualifies for tax credits to lower the cost of health insurance. H-2A workers have gained the most from this expansion in immigrant eligibility under the ACA. The BCRA would restrict marketplace and tax credit eligibility to U.S. Citizens, nationals, and “qualified” immigrants, as defined by section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).

Repeal of Employer Mandate

The BCRA, like AHCA, will repeal the employer mandate. While there are exceptions, large agricultural employers are generally liable under the employer mandate. As a result, farmworkers and their families have had new opportunities for health insurance coverage. Repealing the employer mandate will mean that fewer workers will have access to employer-provided health insurance and some may lose current coverage in future years.

Repeal of ACA’s Cost-Sharing Subsidies

Under the ACA, cost-sharing subsidies are provided to insurers to help some of their ACA customers cover deductibles and copayments. Both AHCA and the BCRA end these subsidies in 2020. The cost-sharing subsidies are crucial to ensure that health insurance is not only affordable but also functional. Cost is a major barrier to care for many farmworkers and their families. Lower co-pays and deductibles encourage utilization of health care services. Repeal of the cost-sharing subsidies will render health insurance essentially ineffective.

Waiver of Essential Health Benefits Requirement

While the BCRA keeps the ACA’s pre-existing condition requirements, it allows states to waive the ACA’s Essential Health Benefits. Essential Health Benefits coverage includes prescriptions, behavioral health, and hospital visits. Without the Essential Health Benefits requirements, workers may be subjected to more expensive but less comprehensive health insurance.

Change in Income Eligibility for Tax Credits

Farmworkers rely on tax credits to make health insurance in the marketplace affordable. The BCRA will maintain tax credit eligibility based on a consumer’s

federal poverty level (FPL). However, the tax credit would be less generous than tax credits under the ACA and would only be available for those up to 350% FPL.

Remove Cap on Repayment of Tax Credits

Under the ACA, a person's liability to repay tax credits is capped at a certain amount, depending on their FPL and filing status. The BCRA removes these caps. Workers may inadvertently receive the wrong amount in tax credits due to miscalculations of their income. Fluctuations in farmworker income are fairly common due to the seasonal nature of agricultural work. They may not necessarily report these changes in income to the marketplace, resulting in a higher tax credit than what they may be eligible. Under the BCRA, workers would be liable for the entire amount they owe, which could equal thousands of dollars.

End of Medicaid Expansion and Restructuring of the Medicaid Program

The BCRA will not only end Medicaid expansion but will also convert Medicaid into a per-capita cap or block grant system. Under BCRA, federal payments to states that expanded their programs to low-income adults would be rolled back starting in 2021. States would be given the option of receiving a block grant from the federal government or a set payment based on the number and type of enrollees. Like AHCA, states would be able to impose work requirements on able-bodied adults as a condition for receiving benefits.

Though few adult farmworkers qualify for Medicaid, many farmworker children benefit from Medicaid/CHIP. The amount states receive from a per-capita cap or block grant would result in a substantial reduction from current federal funding levels. States could significantly cut the Medicaid benefits they offer to farmworker children and adults.

Farmworkers Need Greater, Not Reduced Access to Healthcare

Farmworkers face numerous health risks yet have few options for health insurance. Under the ACA, farmworkers and their families have made important gains in health insurance coverage. The Senate bill will undo these gains. Farmworkers need more options for health insurance coverage, not fewer. FJ opposes any bill that will result in reduced access to health insurance and health care for farmworkers and other low-income, rural Americans.