

California Coverage and Care at Risk: The Affordable Care Act, Medi-Cal and Medicare

Updated October 15, 2020

In a Supreme Court case scheduled for the week after the election, the Trump Administration has continued to argue to strike down the entirety of the Affordable Care Act (ACA). The potential for a hastily-confirmed successor to Justice Ruth Bader Ginsburg further jeopardizes the coverage millions of families rely upon. If the ACA is overturned, Californians will lose coverage and face significantly higher costs.

Millions of Californians Would Lose Medi-Cal Coverage and Our Health System Would Lose Billions

- If the ACA is overturned, **almost 4 million low-income Californians will lose coverage**, and have nowhere to turn.
- The state and our health system will lose over \$20 billion in federal funding.ⁱ This huge sum means health care providers would have to significantly scale back services and staffing, a time we are already experiencing critical provider shortages.

Californians Will Lose Access, Affordability Assistance, and Face Higher Premiums, Including for Pre-Existing Conditions

- Almost 90% of the 1.5 million Californians who buy coverage through Covered California get financial assistance from the ACA that will be lost if the ACA is overturned.ⁱ
- Without this \$7 billion of affordability assistance that Californians get, **over 1 million Californians would lose coverage**. Hundreds of thousands more will struggle to afford coverage.
- Those who stay covered will pay significantly more, since when the number of people covered is smaller and sicker, premiums skyrocket for everyone.
- Without the ACA, **insurers will go back to scaling back benefits and denying coverage** for people with cancer and diabetes, children with asthma, and anyone else with pre-existing conditions.

Seniors Will Pay More for Medicare

- Medicare covers 6.2 million California seniors and people with disabilities.ⁱⁱ **Repeal of the ACA will increase out-of-pocket costs for preventive care and other services for seniors**, and weaken our Medicare system as a whole.ⁱⁱⁱ
- **Repeal of the ACA would increase seniors' out-of-pocket costs for prescription drugs**. In recent years, seniors have saved on average over \$1,100 per year as a result of the ACA's effect on Medicare—savings that will disappear if the ACA is overturned.^{iv}
- **Seniors 50-65 who buy coverage individually will face an "age tax"** if striking down the ACA undoes the current cap on how much more insurers can charge based on age.

ⁱ Covered California, [Executive Director's Report](#), Mar 2020

ⁱⁱ Kaiser Family Foundation, [State Health Facts](#), 2018

ⁱⁱⁱ Kaiser Family Foundation, [What Are the Implications of Repealing the Affordable Care Act for Medicare Spending and Beneficiaries?](#), Dec 2016

^{iv} Centers for Medicare and Medicaid Services. [Nearly 12 million people with Medicare have saved over \\$26 billion on prescription drugs since 2010](#), Jan 2017