

## Broken Health Care Promises: Preexisting Conditions and Health Insurance Coverage

**President Trump's Broken Promise:** “We’re going to have insurance for everybody. ... [People] can expect to have great health care ... Much less expensive and much better.”<sup>1</sup> “[We are going to] protect the most vulnerable, especially those with preexisting conditions.”<sup>2</sup>

### Trump Administration's Track Record:

Despite Trump's continued promise to provide high quality health care and protect people with preexisting conditions, his policies have already caused millions of people to lose coverage and weakened protections for people with preexisting conditions.

The administration's partisan approach to health coverage has led to millions of people losing quality health insurance. The number of nonelderly people without health insurance in the U.S. has risen during the Trump administration. From the years 2010 to 2016, before Trump took office, the number of nonelderly uninsured people declined significantly, from 46.5 million in 2010 (the year the Affordable Care Act was enacted) to just below 27 million in 2016.<sup>3</sup> After Trump took office, the number of uninsured began to increase again as his administration cut outreach and enrollment assistance, encouraged states to create paperwork burdens for Medicaid applicants, and otherwise took aim at comprehensive health insurance. From 2017 through 2018, the nonelderly uninsured population increased by 1.2 million people.<sup>4</sup>

The Trump administration also has sought to replace quality health insurance with cut-rate junk coverage that threatens coverage for people with preexisting conditions. The president has allowed short-term health insurance plans to proliferate, and by design, these plans can exclude essential services like comprehensive coverage of prescription drugs, hospital care, mental health services, maternity care, and preventative services.<sup>5</sup> These plans also aren't required to spend the money they collect on premiums on medical care but rather can keep the

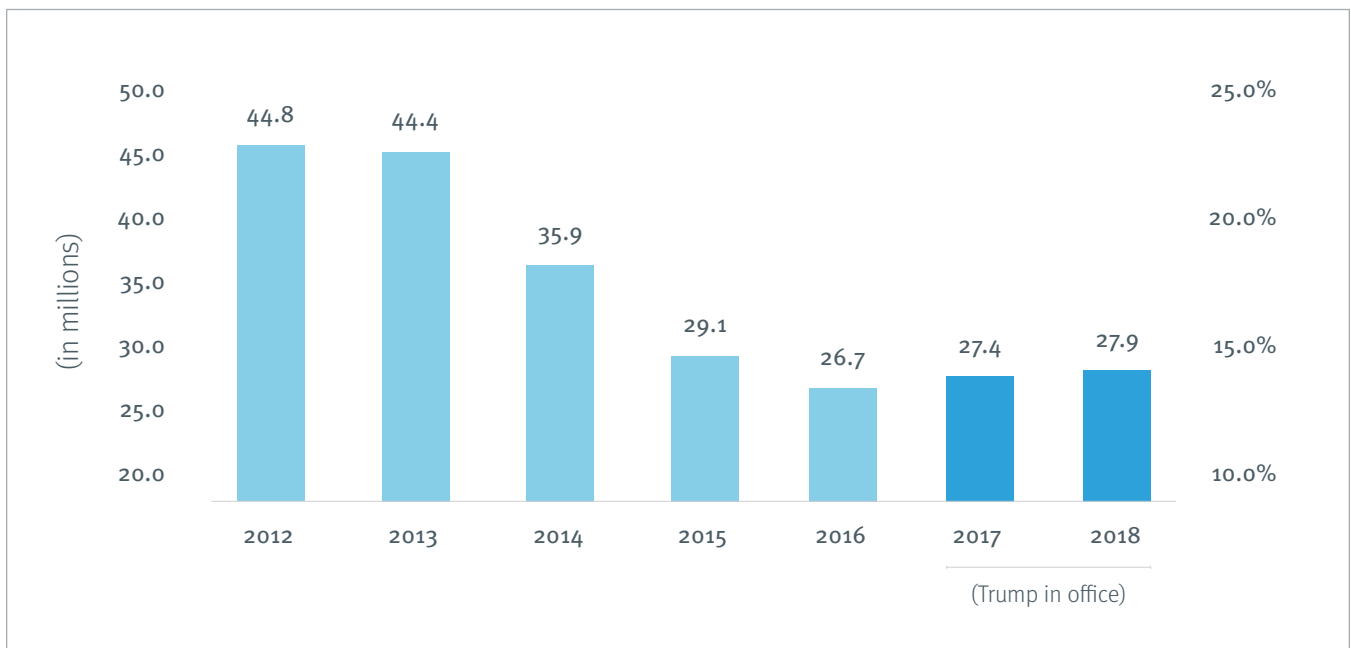
*The administration's partisan approach to health coverage has led to millions of people losing quality health insurance.*

money as profit. In fact, in 2018, the top-selling short-term plan spent just 37% of premium dollars on medical care and was able to pocket many millions of dollars in profit.<sup>6</sup> Rules promulgated by the Trump administration allow the sale of short-term plans for periods of up to 12 months and extensions of short-term coverage for up to three years. In reality, these are not short-term plans but substandard plans that can deny coverage to people with preexisting conditions and often omit important benefits.

Ultimately, families who are tricked into buying this coverage could pay their premiums month after month and experience financial ruin when they need core services that are not covered.<sup>7</sup>

While allowing junk plans to proliferate, the Trump administration has sought to undermine comprehensive health coverage and allowed the uninsured rate to increase.

### Uninsured Over Time, United States



NOTE: Includes nonelderly individuals ages 0 to 64.

SOURCE: KFF analysis of 2008-2018 American Community Survey. 1-Year Estimates.

<https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>

*The nonpartisan Congressional Budget Office estimated that the President's health care repeal proposal would result in almost \$1 trillion in cuts to health care funding.*

### **Deeply Concerning Proposals:**

Upon taking office, Trump failed to repeal the Affordable Care Act and dramatically cut Medicaid funding. This health care repeal push collapsed in response to massive public opposition. The nonpartisan Congressional Budget Office estimated that the President's health care repeal proposal would result in almost \$1 trillion in cuts to health care funding and 22 million Americans losing health coverage.<sup>8</sup> Experts across the political spectrum also agreed that his proposal would also have gutted basic insurance protections for people with preexisting conditions.<sup>9</sup>

After his repeal efforts in Congress failed, many people don't realize that the Department of Justice under Trump is pursuing a lawsuit that aims to achieve health care repeal in the courts and end current protections for people with preexisting conditions.<sup>10</sup> Released in February of 2020, the president's fiscal year 2021 budget briefing book also shows that he intends to cut both Medicaid and market-based health care further over the next 10 years by placing them in a block grant program. In total, he is proposing to reduce federal support for health care for families by an astounding \$920 billion from 2021 to 2030, and abandon core insurance protections, similar to the failed health care repeal bills of 2017.<sup>11</sup> The president hopes to restart health care repeal in the event partisan judges act on the lawsuit his administration supports to abolish the Affordable Care Act.<sup>12</sup>

In sum, Trump's policies will not protect families in America. Instead, under his proposals, more and more people will lack the access to good health care and lack protections against medical debt and discrimination for preexisting conditions that valuable coverage provides.

## Endnotes

- <sup>1</sup> Robert Costa and Amy Goldstein, “Trump Vows ‘Insurance for Everybody’ in Obamacare Replacement Plan,” *Washington Post*, January 15, 2017, [https://www.washingtonpost.com/politics/trump-vows-insurance-for-everybody-in-obamacare-replacement-plan/2017/01/15/5f2b1e18-db5d-11e6-ad42-f3375f271c9c\\_story.html](https://www.washingtonpost.com/politics/trump-vows-insurance-for-everybody-in-obamacare-replacement-plan/2017/01/15/5f2b1e18-db5d-11e6-ad42-f3375f271c9c_story.html).
- <sup>2</sup> Office of Management and Budget, *A Budget for America’s Future, Fiscal Year 2021* (Washington, DC: U.S. Government Publishing Office, 2020), 51, [https://www.whitehouse.gov/wp-content/uploads/2020/02/budget\\_fy21.pdf](https://www.whitehouse.gov/wp-content/uploads/2020/02/budget_fy21.pdf).
- <sup>3</sup> Jennifer Tolbert et al., “Key Facts about the Uninsured Population,” Kaiser Family Foundation, December 13, 2019, <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>.
- <sup>4</sup> Tolbert et al., “Key Facts.”
- <sup>5</sup> Karen Pollitz et al., “Understanding Short-Term Limited Duration Health Insurance,” Kaiser Family Foundation, April 23, 2018, <https://www.kff.org/health-reform/issue-brief/understanding-short-term-limited-duration-health-insurance/>; Cheryl Fish-Parcham, “Seven Reasons the Trump Administration’s Short-Term Health Plans Are Harmful to Families,” Families USA, August 1, 2018, <https://familiesusa.org/resources/seven-reasons-the-trump-administrations-short-term-health-plans-are-harmful-to-families/>.
- <sup>6</sup> National Association of Insurance Commissions, “Accident and Health Policy Experience Report for 2018: Individual Market Share by Line of Business and Grand Total for Individual Business,” 2019, <https://assets.documentcloud.org/documents/6257570/Naic-St.pdf>.
- <sup>7</sup> Pollitz et al., “Limited Duration Health Insurance”; Fish-Parcham, “Seven Reasons.”
- <sup>8</sup> Keith Hall to Mike Enzi, July 20, 2017, Congressional Budget Office, <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/52941-hr1628bcra.pdf>.
- <sup>9</sup> Ezra Klein, “The New Senate Health Bill Is Terrible for Anyone Who Is Sick, Has Been Sick, or Will Be Sick,” *Vox*, July 13, 2017, <https://www.vox.com/health-care/2017/7/13/15965762/senate-health-bill-bcra-preexisting-conditions>.
- <sup>10</sup> Katie Keith, “Trump Administration Asks Court to Strike Down Entire ACA,” *Health Affairs Blog*, March 26, 2019, <https://www.healthaffairs.org/do/10.1377/hblog20190326.572950/full/>.
- <sup>11</sup> Office of Management and Budget, *A Budget*, 51.
- <sup>12</sup> Ian Millhiser, “A Trump Tweet Revealed the Absurdity of the Legal Case against Obamacare,” *Vox*, January 15, 2020, <https://www.vox.com/2020/1/15/21065451/trump-tweet-obamacare-supreme-court-texas-united-states>.

This publication was written by:

**Cheryl Fish-Parcham**, Director of Access Initiatives, Families USA

The following Families USA staff contributed to the preparation of this material (listed alphabetically):

Kimberly Alleyne, Senior Director, Communications

Nichole Edralin, Senior Manager, Design and Publications

Eliot Fishman, Senior Director of Health Policy

Adina Marx, Communications Associate



1225 New York Avenue NW, Suite 800

Washington, DC 20005

202-628-3030

info@familiesusa.org

FamiliesUSA.org

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