

FOR IMMEDIATE RELEASE

January 25, 2017

[View the full report.](#)

Contact: Diane.Shinn@dc.gov

202-727-8991

**Repeal of the Affordable Care Act's Medicaid Expansion
Could Cost the District \$1.1 Billion in Federal Funds**
*Auditor's analysis shows more than 100,000 residents could lose
their health insurance unless D.C. government filled the funding gap*

WASHINGTON, D.C.—The government of the District of Columbia would lose \$563 million in federal matching funds for Medicaid in 2018 and possibly \$1.1 billion annually by 2028 if Congress repeals the Medicaid expansion of the Affordable Care Act (ACA), according to a report prepared by the Office of the D.C. Auditor (ODCA).

“This report shows that, if the Medicaid expansion is repealed and the D.C. government isn’t able to find additional sources of revenue, some 100,000 of our most vulnerable residents could lose their health insurance,” said D.C. Auditor Kathy Patterson. “This report clearly highlights the risks associated with repealing the ACA without first putting in place new policies to ensure lower- and middle- income Americans retain access to quality health insurance.”

In addition to the Medicaid expansion issue, the report outlines dire funding consequences for the District under a Republican plan to restructure Medicaid using a per capita allotment, which means the District and states would receive a certain amount of federal funding each year per enrollee in the program, or a block grant, which means they would receive a fixed sum per year regardless of changes in enrollment.

ODCA’s analysis found that, under a per capita allotment, the District could lose more than \$1.9 billion in federal funding each year by 2028. Conversion to a block grant program could cost the District \$2.1 billion annually by 2028.

Repeal of the ACA, known informally as Obamacare, also would threaten DC Health Link, the District’s health benefit exchange, by requiring further legislative and regulatory action to allow D.C. to continue effectively operating its exchange. As of December 2016, DC Health Link provides insurance coverage to 16,745 District residents and 58,823 small business employees.

ODCA examined current and previous repeal plans proposed by President Trump, his nominee to head the U.S. Department of Health and Human Services, and Republican leaders in Congress. The auditor’s office also consulted policy and program experts in the District’s Department of Health Care Finance, which oversees the District’s Medicaid program, and the Health Benefit Exchange Authority, an independent agency that manages DC Health Link. The experts provided the latest information on enrollment and costs along with estimates of how repeal of the healthcare law or restructuring of Medicaid would impact the District.

In addition, ODCA reviewed research by other health policy experts on the impact these plans would have at the national and state level, including the District. The Kaiser Family Foundation, a leading healthcare think tank, also was consulted. The report was prepared at the request of D.C. Councilmember Jack Evans, chairman of the Council's Committee on Finance and Revenue.

[View the full report.](#)

###

The mission of the Office of the District of Columbia Auditor (ODCA) is to support the Council of the District of Columbia by making sound recommendations that improve the effectiveness, efficiency, and accountability of the District government. Learn more at www.dcauditor.org.