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AARP report: Obamacare replacement would hurt older Floridians

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How many older Floridians with Affordable Care Act coverage would see their premiums rise under the Republican replacement plan?

About 454,000, according to a new analysis by AARP.

Low-income people in their 60s would be hardest hit, the analysis found. For some, the proposal under consideration in Congress could mean an annual tax credit reduction of nearly $6,000.

The cut in government aid would put thousands in an "untenable situation," forcing many people in their 50s and 60s to go without health insurance, AARP Florida state director Jeff Johnson said Friday.

"These are people who have kids in school," Johnson said. "They may be taking care of aging parents. They are trying to make a living."

AARP has been a vocal opponent of the GOP plan, which cleared a key House committee Thursday and could go to the floor as soon as next week. The organization has raised specific concerns about its impact on people between ages 50 and 64. (People 65 and older qualify for Medicare.)

Associated Press

House Speaker Paul Ryan says the GOP proposal takes into account that health insurance plans cost more for older individuals.

Under current law, low- and middle-income individuals receive tax credits to help offset the cost of health insurance coverage. The amount of assistance is based largely on income.

The proposed replacement, known as the American Health Care Act, would instead offer a flat tax credit to individuals earning less than $75,000 and families earning less than $150,000.

House Speaker Paul Ryan told reporters the cap was intended to avoid creating a "job penalty." That is, he and his colleagues didn't want to penalize someone for taking a job that pays more.

"We don't want federal tax credits to ever encourage a person not to advance, not to take a job, not to get a raise," he said this month.

Ryan added that the amount of the credit would increase with age, because health insurance plans cost more for older individuals.

The maximum $4,000, however, is still less than most older people currently receive, according to the AARP analysis. Under existing law, the average tax credit for a 64-year-old person with $15,000 in annual income is $9,854.

AARP found that a small group of people would receive a larger tax credit under the House proposal — people between ages 50 and 55 with an annual income of $45,000.

AARP said the new plan would weaken or eliminate limits on "age-rating," meaning insurance companies could charge older adults much more than they currently do.

"People could be paying five times more than someone just as healthy, but younger," Johnson said.

More than 1.7 million Floridians are enrolled in coverage through the Affordable Care Act marketplace — more than any other state, according to the latest figures from the Centers for Medicare and Medicaid Services.

A poll released by Florida Atlantic University this week found that a majority of Floridians want to expand the current health care law or keep it the way it is. Three-quarters of respondents said they opposed letting insurance companies charge older customers more.

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