

## ISSUE BRIEF

# IMPACT OF STUPAK AMENDMENT ON ACCESS TO ABORTION COVERAGE AND CARE

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**There has been much discussion about what the “real-life” impact of the Stupak amendment would be on women’s access to abortion care. The following is an explanation of what this provision will mean to women, if it is enacted. Essentially, the amendment violates the underlying principle of health care reform, as articulated by President Obama, that no one will lose the benefits they currently have. The truth is that under the Stupak amendment, millions of women would lose benefits that they currently have and millions more would be prohibited from getting the kind of private sector health care coverage that most women have today. To put a fine point on it, millions of women would lose private coverage for abortion services and millions more would be prohibited from buying it even with their own money. Simply put, women’s access to private coverage for abortion would be restricted by health care reform.**

### THE NEW HEALTH INSURANCE EXCHANGE

The new health insurance exchange is intended to provide a new source of affordable, quality coverage for many of the 46 million uninsured Americans and the millions more whose current coverage is unaffordable or inadequate. The House bill is expected to cover 96 percent of all uninsured Americans by offering subsidies for private coverage or the choice of a public plan. Depending on their income level and the final package approved by Congress, individuals would receive subsidies on a sliding scale to purchase private insurance through the exchange. In the House-passed bill, individuals with incomes

up to 400 percent of the federal poverty level (\$88,000 for a family of four) would receive subsidies to help purchase health insurance. However, not everyone in the exchange would have subsidized coverage — a significant portion of people (for instance, those currently purchasing in the individual market and those working for small businesses) who would buy insurance in the exchange would not receive any subsidies, also known as affordability credits.

### THE STUPAK AMENDMENT

The Stupak amendment prohibits any coverage of abortion in the public option and prohibits anyone receiving a federal subsidy from purchasing a health insurance plan that includes abortion. It also prohibits private health insurance plans from offering through the exchange a plan that includes abortion coverage to both subsidized and unsubsidized individuals. Thus, if a plan wants to offer coverage in the exchange to both groups of individuals, it would have to offer two different plans: one with abortion coverage for women without subsidies and one without abortion coverage for women with subsidies. These private insurance plans would need to be identified as either providing or not providing coverage for abortion. Health insurance plans are highly unlikely to operate in this manner, and it is not even clear that this is feasible under the administration of the exchange and affordability credits.

The Stupak amendment purports to allow women to purchase a separate, single-service “abortion rider,” but abortion riders don’t exist. In the five states that only allow abortion coverage through a separate rid-

er, there is no evidence that they are available in the individual market. Furthermore, women are unlikely to think ahead to choose a plan that includes abortion coverage, since they do not plan for unplanned pregnancy. In addition, it is not clear that health plans would even be allowed to offer two separate plans under other provisions of the act, such as guaranteed-issue provisions. Those elements of the bill, which are very important to consumers, may make it impossible for plans to provide two separate plans, one that includes abortion and another that does not. Realistically, the actual effect of the Stupak amendment is to ban abortion coverage across the entire exchange, for women with both subsidized and unsubsidized coverage.

### **WHO WOULD BE COVERED IN THE EXCHANGE**

Most immediately, the exchange would offer coverage to many of the 17 million women, 18–64, who are uninsured. It would also be a source of coverage for the 5.7 million women who are now purchasing coverage in the individual market. Typically, these are women who are not receiving health coverage through an employer — they may be self-employed, underemployed, or unemployed. Small employers are also likely to purchase their health insurance through the exchange, where they may be able to find more affordable options. In the first year of the exchange, that would include businesses with 25 employees or less; in the second year, it would include businesses with 50 employees or less; and after that, the definition would include businesses with 100 employees or less. In most of these cases, women will lose abortion coverage that they currently have — in the current private insurance market, the majority of health insurance plans include abortion.

Currently, a self-employed graphic designer or writer, buying coverage from Kaiser Permanente in the individual market, likely has abortion coverage. Under the health reform plan amended by Stupak, she would purchase that same plan from Kaiser

Permanente in the exchange, but it would not include abortion coverage because it would be barred. This ban would be in effect even if she were paying the full premium. Similarly, a woman working for a small graphic design firm, who currently has abortion coverage through her company's plan, would lose it under reform if the company decides to seek more affordable coverage in the exchange.

Roughly 60 million women, 18–64, get their coverage through their employer or through their spouse's employer. For some of these women, nothing will change immediately. But if current trends continue in the erosion of employer-sponsored health care, more and more women will be getting their health care through the exchange. Women are much more likely to be covered as dependents on their husbands' health insurance plans, and more and more employers are eliminating dependent coverage as a way to cut costs. Where will these women get covered? They will get health insurance from the exchange where abortion coverage is prohibited.

Moreover, women are much more likely to lose employer-sponsored insurance coverage as a result of a spouse's death or divorce. While they will be able to purchase coverage in the exchange, their coverage will not include abortion coverage. Moreover, the House bill opens the door to large employers joining the exchange by giving the commissioner the authority to allow large employers into the exchange beginning in the third year of the enactment of health reform. If this proves to be true, over time, women who get coverage through large companies would lose access to abortion coverage entirely.

### **THE TWO-TIERED HEALTH CARE SYSTEM**

The House-passed health care system adds a huge swath of the female population to the “have nots” column of an already two-tiered health care system when it comes to abortion coverage in the United

States. Prior to the passage of the House bill, our health care system was a system in which only women who could afford to pay for abortions with their own money or through their insurance plans would have access to abortion. Consider the current restrictions already in place:

- low-income women on Medicaid
- federal employees, their spouses, and female dependents
- women serving in the military overseas
- women in federal prisons
- women in the District of Columbia

The House-passed bill would add to this list of women who do not have coverage millions of women who are getting their health insurance through the exchange. Consider just a few examples:

- working mothers in families that earn up to \$88,000
- women who are self-employed and paying the entire cost of their coverage and don't have access to employer-sponsored coverage
- young women entering the job market for the first time who are the least likely to have employer-sponsored coverage
- women who were insured through their husbands' employers, but now are divorced and have to purchase coverage on their own through the exchange
- women who work in small businesses whose owners decide to seek more affordable coverage through the exchange

Over the last six months, we have heard much about how important it is to reform the health care system to meet the needs of women. Women are much more likely to be left out of the current employer-based system because this system wasn't designed for them — it was designed for higher-wage, full-time earners who have dependents at home — namely, men. Women tend to be in lower-wage or part-time jobs that don't offer insurance, move in and out of the workforce because of childbearing and child-rearing responsibilities, and become uninsured because of divorce or death of a spouse. But these are the very same women who are targeted by the Stupak amendment. And they will join the growing ranks of women who are denied coverage of a legal medical procedure. It's turning out to be a strange sisterhood: the poor, the incarcerated, the federally employed, the stateless, the soldier, and now the middle class in the exchange.