

The Changing Political Landscape and What It Might Mean for Health Care Reform

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The Procedural State of Play/Options

1. “Repeal and Delay”: use reconciliation procedure to sunset key ACA provisions in one, two, or three years, and move a bipartisan replace plan in non-reconciliation bill (and work with Democrats on writing it)
2. “Repeal and Delay Plus”: same as #1, but with a few provisions to stabilize the ACA exchanges during the transition period
3. “Repeal Plus a Second Reconciliation”: same as #1, but with significant replace provisions enacted in a second reconciliation bill later in 2017 (refundable tax credits, “tax cap” instead of “Cadillac tax”)
4. Partisan, Combined “Repeal and Replace”: Move forward with a reconciliation bill later in 2017 that systematically alters/replaces key features of ACA in one bill
5. Bipartisan, Combined “Repeal and Replace”: Move forward with a bill that rolls back the ACA and replaces it in one bill, and attempt to work with Democrats to pass it (could be reconciliation, or not)

Some Key Questions

- 1. Will the tax penalty for going uninsured be repealed immediately, or will the repeal coincide with termination of the premium credits and the Medicaid enhanced FMAP for the expansion population?**
- 2. Will the Trump administration enforce the individual mandate?**
- 3. What happens to the House lawsuit contesting the legality of paying cost-sharing subsidies without a separate appropriation measure?**
- 4. How much of a GOP replace plan can be enacted in a reconciliation bill?**

Previously-Introduced Replacement Plans

- **Ryan/House Committee Chairman: “A Better Way”**
- **HHS Sec-Designate Price: “Empowering Patients First Act” (H.R. 2300)**
- **Burr-Hatch-Upton: “Patient CARE Act”**
- **Sen. Cassidy/Rep. Sessions**
- **Trump: Campaign Pronouncements on Health Care/Campaign Website**

Key Themes/Provisions/Ideas

Structure/ Insurance Coverage	<ul style="list-style-type: none">• Retain Employer-Based System• Put Upper Limit on ESI Tax Preference (Replace "Cadillac Tax")• Provide Refundable Tax Credit to Persons Not Eligible for an Employer Plan (sufficient to buy a plan providing protection for major medical expenses)• "Continuous Coverage Protection"• Transition (Grandfathering)
Medicaid/ States	<ul style="list-style-type: none">• Move away from federal-state matching system for financing program (per capita allotments or block grant)• State Flexibility/Waivers/1332
Medicare	<ul style="list-style-type: none">• Prospective Premium Support (New Enrollees Post-2020)• Modernize Benefit Structure• Allow Beneficiaries to Select New Integrated Care Option
HSAs/ Other	<ul style="list-style-type: none">• One-time Tax Credit to Encourage Enrollment• Make it easy to start and maintain HSA enrollment• Allow HSAs to be used for non-FFS direct care purchases

Under Consideration for Replacing the Ind Man

- **“Continuous Coverage Protection”**
- **Defined Penalty for Delayed Enrollment (Medicare part D model)**
- **Auto-Enroll (Sen. Cassidy/Rep. Sessions)**
- **Federal Funding of State High-Risk Pools for Uninsured with High Expenses**