Whither TrumpCare


Harry Nelson authored an article in California Healthcare News titled "Whither TrumpCare".

As expected, Republicans kicked off the 115th Congress by voting in favor of repeal the Affordable Care Act (aka ObamaCare). Technically, to avoid a Democratic filibuster in the Senate, Republicans used a budget reconciliation measure to cut off ACA funding. So what comes next? Healthcare providers, plans, and patients are busy trying to read the tea leaves about what, if any, replacement is coming and what the changes mean for healthcare.

While it's not clear how things will unfold, some key clues about what is likely to come can be found in the recent political history of health reform. The 2010 enactment of the ACA was the most significant legislative revision in the 45 years since the enactment of Medicare and Medicaid. These two programs collectively comprise roughly 22% of the federal budget and cover healthcare costs for roughly 40% of Americans. The 45 years since Medicare and Medicaid launched were marked by growing recognition of three unresolved problems with U.S. healthcare: lack of access to care for the uninsured, steadily rising costs, and mediocre quality (as measured by health outcomes and mortality).

In the early 1970s, Massachusetts Senator Ted Kennedy was the first national champion for universal national health coverage to close post-Medicaid gaps in coverage for low-income Americans. President Nixon responded by proposing a precursor of ObamaCare, as President Clinton would do 20 years later. Before President Obama, other administrations limited their efforts to narrower healthcare reforms, such as ERISA (signed into law by President Ford), which established the rights of large employers to manage self-funded employee health plans, EMTALA (signed into law by President Reagan), which established a universal right to emergency care, and Medicare prescription drug coverage, signed into law by President George W. Bush.

As the post-mortem of the ACA is written, its signature achievement was progress on the issue of access. Before 2010, over 15% of Americans were uninsured. Today, that number has been cut almost in half. The beneficiaries were principally low-income, working age people who had fallen through the cracks of healthcare coverage. ObamaCare offered two very different solutions based on income level: Medicaid eligibility for everyone below 138% of federal poverty level and subsidies on the insurance exchanges for mandatory purchases of coverage for those between 138% and 400% of federal poverty level. The basic idea was that the poorest Americans lacked the wherewithal to pay premiums and deductibles, whereas it was reasonable to expect people earning above this threshold to pay "something" so they would have skin in the game…

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