

GOP bill unlikely to settle passionate health care debate

March 7 2017, by Ricardo Alonso-Zaldivar And Alan Fram

The nation's passionate debate about the role of government in providing health care for citizens and paying the costs is unlikely to be settled by the legislation newly revealed by House Republicans.

With Republicans now controlling the White House and both chambers of Congress, the bill would drive government policy down routes long advocated by conservatives. The course correction would take at least two years to get rolling, and probably longer to show definitive results. If it falls short, it would give rise to a fresh set of [health care](#) grievances.

The Republican legislation would limit future federal funding for Medicaid, which covers low-income people, about 1 in 5 Americans. And it would loosen rules that former President Barack Obama's law imposed for health plans directly purchased by individuals, while also scaling back insurance subsidies.

Republicans say their solutions would make Medicaid more cost-efficient without punishing the poor and disabled, while spurring private insurers to offer attractive products for the estimated 20 million consumers in the market for individual policies.

But Democrats say the bill would make many people uninsured, shifting costs to states and hospital systems that act as providers of last resort. Individual policy holders might be able to find low-premium plans, only to be exposed to higher deductibles and copayments.

There are no easy answers, said Dan Mendelson, CEO of the consulting firm Avalere Health. "Health care is expensive and it becomes more expensive every year," he said. "Under the GOP plan, it will be more expensive every year just like it was under the Democratic plan."

Nonetheless, he called the Republican proposal a feasible alternative.

Over the next few days, stakeholders will be dissecting the GOP proposal, which may become the second major shift on [health care policy](#) in less than a decade. Democratic and Republican governors, hospital executives, physician groups, insurers, drug makers and consumer groups will have their say. The bill will be measured against expansive promises that President Donald Trump made during the campaign.

Trump "made a lot of promises about making sure that people would not lose coverage and that costs would be lower," said Ron Pollack, head of the liberal advocacy group Families USA. "This does the exact opposite of what he has promised."

House committees planned to begin voting on the legislation Wednesday, launching what could be the year's defining battle in Congress and capping seven years of GOP vows to repeal the 2010 Affordable Care Act. It's unclear if Republicans can manage to overcome divisions within their own party and deliver a final product.

The plan would repeal the unpopular "Obamacare" fines on people who don't carry health insurance. It would replace income-based subsidies the law provides to help millions of Americans pay premiums with age-based tax credits that may be skimpier for people with low incomes. Those payments would phase out for higher-earning people.

The bill would continue Obama's expansion of Medicaid to additional

low-earning Americans until 2020. Beginning then, states adding Medicaid recipients would no longer receive the additional federal funds the statute has provided. Of even greater consequence, total federal Medicaid funding would be limited according to a formula taking into account enrollment and costs in each state.

Republicans said they don't have official coverage estimates yet, but aides from both parties and nonpartisan analysts have said they expect those numbers to be lower.

House Speaker Paul Ryan, R-Wis., said the bill would "drive down costs, encourage competition, and give every American access to quality, affordable [health insurance](#)."

Solid opposition from Democrats is a given. House Minority Leader Nancy Pelosi, D-Calif., said, "Republicans have decided that [affordable health care](#) should be the privilege of the wealthy, not the right of every family in America."

Senate Finance Committee Chairman Orrin Hatch, R-Utah, wouldn't rule out changes by his chamber, where significant numbers of moderate Republicans have expressed concerns that the measure could leave too many voters without coverage.

Thirty-one states and the District of Columbia opted to expand Medicaid coverage under the Obama-era law to an estimated 11 million people. Around half those states have GOP governors, who are largely reluctant to see that spending curtailed.

In another feature that could alienate moderate Republicans, the measure would block for one year federal payments to Planned Parenthood, the women's health organization long opposed by many in the party because it provides abortions.

A series of tax increases used to finance the Obama overhaul's coverage expansion would be repealed as of 2018.

In a last-minute change to satisfy conservative lawmakers, business and unions, Republicans dropped a plan pushed by Ryan to impose a first-ever tax on the most generous employer-provided health plans. Instead, a similar tax imposed by Obama's law on expensive plans set to take effect in 2020 would now begin in 2025.

Popular consumer protections in the Obama law would be retained, such as insurance safeguards for people with pre-existing medical problems, and parents' ability to keep young adult children on their insurance until age 26.

To prod healthier people to buy policies, insurers would boost premiums by 30 percent for consumers who let insurance lapse.

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Citation: GOP bill unlikely to settle passionate health care debate (2017, March 7) retrieved 27 April 2024 from <https://medicalxpress.com/news/2017-03-gop-bill-passionate-health-debate.html>

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