

GOP lawmakers propose new conditions on health bill

October 24 2017, by Alan Fram

Two top Republicans announced a bill Tuesday restoring federal subsidies to insurers that includes tough conditions sought by the White House. Senate Democrats have enough votes to kill it, but the measure underscores the changes the Trump administration and congressional conservatives say they want in exchange for resuming the payments.

The proposal seeks changes in President Barack Obama's <u>health care law</u> that go far further than provisions in bipartisan legislation that is stuck in the Senate. That compromise has stalled as President Donald Trump has flashed contradictory signals about whether he supports it and conservatives—especially in the House—have complained it doesn't revamp Obama's statute strongly enough.

Tuesday's GOP alternative is by Senate Finance Committee Chairman Orrin Hatch of Utah and House Ways and Means Committee Chairman Kevin Brady of Texas.

Like the bipartisan Senate bill, the new measure would resume the federal payments to <u>insurers</u> for two years. Trump has halted them, claiming they enrich insurers, but has expressed a willingness to make a deal to resume them.

The plan by Hatch and Brady would temporarily halt tax penalties Obama's health care law imposes on people who don't buy insurance and employers who don't offer coverage to workers. The fine against individuals would be halted from 2017 through 2021, while the penalty



on employers would be retroactive, suspended from 2015 through this year.

Those fines are a pillar of Obama's overhaul that prod healthy people to buy coverage. Ending them is a non-starter with Democrats.

Tuesday's bill also includes "pro-life protections." GOP aides would not describe them, but Republicans have often sought to prevent federal payments from being used to buy health insurance that covers abortions.

The measure would also let people contribute more money to taxfavored health savings accounts.

A written statement from Brady and Hatch said the proposals "can serve as a basis for the types of real reforms" needed to overhaul Obama's law.

Sen. Patty Murray, D-Wash., rejected the latest bill. Murray wrote the Senate's bipartisan measure with Sen. Lamar Alexander, R-Tenn.

"We already know that partisan proposals to take coverage away from millions of people, spike premiums, and inject even more uncertainty into health care markets cannot pass the Senate," Murray said in a written statement.

The payments reimburse insurers for lowering out-of-pocket expenses like deductibles and co-payments for low-earning customers. Obama's law requires the cost reductions and the federal payments to insurers. The reduced costs for customers will continue, leaving insurers and state regulators to decide how carriers will recover their lost income.

Insurers and the nonpartisan Congressional Budget Office have warned that premiums will increase and some insurers could leave unprofitable regions if the reimbursements are not restored. Many insurers have



responded by boosting premiums that they and many state regulators have designed that in a way that has limited—but not eliminated—the number of people facing higher prices.

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