

Bids to curb health care costs offer little more than talk

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In this Feb. 6, 2018, file photo, dawn breaks over the Capitol in Washington. The once bipartisan drive to curb increases in health care premiums has devolved into a partisan struggle with escalating demands by each side. It's unclear they'll be able to reach an agreement. And the two parties may end up blaming each other this fall as states announce next year's inevitably higher insurance rates—just weeks before Election Day on Nov. 6. (AP Photo/J. Scott Applewhite, File)

It started as a bipartisan attempt to curb soaring health care premiums.

But Congress' effort to stabilize the nation's insurance markets is faltering amid escalating demands by each party and erratic positions by President Donald Trump. Democrats want bigger federal subsidies for consumers under President Barack Obama's health care law while Republicans, still fighting that statute, aim to relax its coverage requirements and win abortion restrictions.

The bickering could collapse the whole effort, with each side blaming the other when next year's expected higher insurance rates are announced—just weeks before Election Day, on Nov. 6.

Last week, Sen. Patty Murray of Washington, a lead Democratic negotiator, called GOP demands on abortion limitations "a complete nonstarter." A spokeswoman for Rep. Ryan Costello, R-Pa., sponsor of the House GOP package, said if Democrats want to oppose the effort "by playing abortion politics, then shame on them."

Some Democrats think they'd reap political gains if the talks collapse since polls show the health care statute is widely popular and the public would largely fault Republicans if consumer costs spiral skyward.

"Either Republicans help stabilize the market or they own these premium and deductible increases," said Rep. Kurt Schrader, D-Ore. "And I'd be glad to help crucify them if they don't want to do something very reasonable."

The effort forces Republicans to choose between trying to avert bad news about premiums shortly before elections or standing by their opposition to anything that could be viewed as propping up "Obamacare."

Trump hasn't clarified things for his party. In a single day last October, he bounced from praising one bipartisan plan as "a very good solution"

to labeling it "bailouts to insurance companies."

Signs indicate insurance prices will likely continue upward. So try containing those increases, lawmakers crafted two bipartisan bills last year.

One by Sens. Susan Collins, R-Maine, and Bill Nelson, D-Fla., would provide billions to states for reinsurance. The funds would help insurers afford covering some of the sickest, costliest customers.

Another by Murray and Sen. Lamar Alexander, R-Tenn., would revive federal payments to carriers to subsidize discounts they give lower-earning consumers for costs like deductibles and copayments. Trump halted the subsidies in October as part of his effort to upend Obama's law after federal courts said Congress hadn't properly approved the money.

Providing ammunition for the sponsors, an analysis released Monday by Oliver Wyman Actuarial Consulting, a private firm, estimated that if Congress enacted the proposals, premiums could be at least 40 percent lower than if no legislative action was taken.

Obama's statute requires insurers to provide those cost reductions, which last year cost the government \$7 billion to help around 6 million people. Insurers boosted premiums to make up the difference.

Complicating what Congress might do, Trump's halt of those subsidies to insurers has had an unanticipated, positive impact for low-income consumers.

Because of how most state regulators let carriers raise premiums, federal tax credits that help lower-income customers buy coverage grew so robustly that many were better off than before. Reviving the subsidies

could actually increase out-of-pocket costs for at least 1.6 million people, the liberal Center on Budget and Policy Priorities says.

In other changes since last fall, the new GOP tax law has erased the tax penalties enforcing the "Obamacare" individual mandate, which requires most people to buy coverage. Trump has also proposed making it easier for insurers to sell policies that last less than a year and have fewer consumer protections than Obama's statute imposes, like required coverage for people with pre-existing conditions.

Citing those blows to Obama's law, Democrats say the tax credits that help millions pay premiums need to be more generous and cover more people. They want to restore spending that's used to encourage people to buy coverage and block Trump from allowing the sale of low-cost, low-coverage plans.

Republicans have their own demands.

A White House memo says any effort to strengthen markets must have language that "ensures all federal dollars are life-protected"—a reference to restrictions on using the programs to finance abortions.

AshLee Strong, spokeswoman for House Speaker Paul Ryan, R-Wis., said last week that the effort to stabilize insurance markets must heed the GOP's long-imposed legal bar against using federal funds for nearly all abortions.

"That is not negotiable for House Republicans," Strong said.

The White House memo also demanded that insurers be allowed to charge older customers higher premiums than Obama's law permits and get more leeway to renew short-term, low-coverage policies.

An agreement would likely be included in a government-wide spending bill Congress wants to finish by March 23. It's probably the year's last must-pass measure, so proposals left behind will face difficulties becoming law.

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