

HEALTHCARE REFORM – WHAT IS HAPPENING?

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AFFORDABLE CARE ACT UPDATE

- Currently, ACA is still in effect
- No changes

AFFORDABLE CARE ACT UPDATE (CON'T.)

Subsidies Unknown

- Payments, which go directly to insurers, reduce the deductibles and co-pays of lower-income Obamacare enrollees.
- Next year the subsidies are projected to be worth \$10 billion to insurers.
- They are also at the center of a court battle between the House and the Trump administration, which inherited the lawsuit from the Obama administration.
- Lawmakers have argued that they never appropriated funds for the payments.

A district court judge agreed last year and ruled that the subsidies were illegal, but Obama officials appealed.

The House and the Trump administration have yet to come to a resolution.

AFFORDABLE CARE ACT UPDATE (CON'T.)

- Paying month-to-month
- Using them as a bargaining chip to repeal ACA
- US Court of Appeals has allowed 17 state attorneys general to intervene and sue if Trump stops paying.
- CBO warned that premiums would soar an additional 20% above projected price increases if the payments are ended in 2018.
- Some insurers have already asked for higher premium rates next year explicitly because of Trump not guaranteeing the payments.
- Congress working on legislation to fix it.

GRAHAM-CASSIDY

- Replaces the ACA's premium credits and funding for the Medicaid expansion with a new block grant.
- \$1.2 trillion through 2026
- Provides substantial flexibility to the states to design entirely different ways of subsidizing and regulating health insurance in the individual market.
- Repeals penalties for individual and employer mandates, retroactive to 2016.

GRAHAM-CASSIDY (CON'T.)

- \$25 billion over 2018 and 2019 to (CMS) to directly subsidize insurers to avoid disrupting coverage in the individual market.
- Kaiser health foundation believes the states' inability to have something in place will move toward Medicaid.
- Has to be passed by Friday, September 30, for budget reconciliation process.

SANDERS' MEDICARE-FOR-ALL

- As of January 1 in year following passage, transitional Medicare buy-in option with annual age lowering.
- Secretary HHS discretion to determine eligibility through residence.
- Enrollment at birth or immigration status.

SANDERS' MEDICARE-FOR-ALL (CON'T.)

- Comparable benefits to Essential Health Benefits in ACA
 - Hospital services (including inpatient and outpatient hospital care, emergency services, and inpatient prescription drugs)
 - Ambulatory patient services
 - Primary and preventive services (including chronic disease management)
 - Prescription drugs, medical devices, and biologics
 - Mental health and substance abuse treatment services (including inpatient care)
 - Laboratory and diagnostic services
 - Comprehensive reproductive, maternity, and newborn care
 - Pediatrics
 - Oral health, audiology, and vision services
 - Short-term rehabilitative and habilitative services and devices

SANDERS' MEDICARE-FOR-ALL (CON'T.)

- No cost-sharing
- Options for paying: use all current federal sources for healthcare, payroll, income tax, high-wealth income tax, employers?

Thank You!

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