Health Care Policy after the 2014 Elections

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On March 23rd, 2010 Congress passed and the President signed comprehensive health reform legislation. This was a historic day – after almost 100 years of proposals and debates. Whatever you think of the act itself, it was a major accomplishment.
Let’s Recall Some Basic Facts About the ACA

The ACA is a market based reform based on the ideas that individuals should contribute to the system and share the responsibility for their own health – but also should contribute to the system to help out everyone else.

– Provide access to affordable health care.

– Provide peace of mind and choice.

– Make stakeholders including providers, payers, employers, and insurance companies more accountable.

– Increase individual responsibility by requiring those who can afford it to contribute.
Structure of Health Care Reform

Requires more people to buy affordable insurance or pay a tax.

Makes insurance more affordable by providing sliding scale subsidies.

Prohibits discrimination against those who are sick or injured.

There are 3 legs in this stool – pull one out and it falls.
Un-Packing the 3-Legged Stool

1. **Guaranteed Issue**

Health insurance companies should not be able to discriminate against sick people. People with pre-existing conditions should not be excluded. If you get sick you should not be allowed to be cut off insurance. Capping what the insurance could pay should not be allowed. So it was clear that **Guaranteed Issue** – the proper name for ending discrimination against sick people – would pass.
Un-Packing the 3-Legged Stool

2. **Mandate**

But insurance companies did not want that so they went to the legislators and said if you do that we can’t break even financially. We only can break even because we are allowed to avoid high cost, high risk people. You need to add some ‘safer’ people to the marketplace so we can get premiums from them and not have to pay out for medical care. So the **Mandate** was formed – straight out of the Massachusetts reforms.
Un-Packing the 3-Legged Stool

3. **Subsidies**

Private insurance companies wanted the business and they argued that the mandate was the way to do it. Then other groups came in and pointed out that people can’t afford the premiums so a system of **Subsidies** was created to help pay the cost. Of the 32 million who will be newly insured under this act well over \( \frac{1}{2} \) will pay no premium at all because the government will pay that price for them.
ACA is Successful!

1. Cost projections by the Congressional Budget Office for both the ACA, and healthcare spending in general, have actually gone down.

2. More than 8 million Americans and counting now have access to coverage via the state-level insurance exchanges and more than 5 million have benefited from the expansion of Medicaid. Despite a very messy rollout, the exchanges continue to grow, with the number of insurers offering plans in 2015 increasing by 25 percent.

3. And contrary to what many opponents of the law claimed, the ACA did not cause massive job loss.

Source: The Hill. *Democrats should embrace ACA successes*
Even with the successes that the ACA has shown, many are wondering and concerned about what will happen to the health care law – the Patient and Protection Affordable Care Act (the ACA) also known as “ObamaCare” now that the elections are over.
6 ISSUES OF CONCERN ABOUT THE AFFORDABLE CARE ACT TO KEEP YOUR EYES AND EARS OPEN ABOUT!
I. REPEAL OF THE LAW

The GOP-led House has voted more than 50 times to repeal and defund the law. The newly Republican-controlled Senate will likely join the House in efforts to repeal the law in a symbolic gesture of unity by bringing it up for a vote. An out-right repeal will not be easy and probably will not happen.

A. President Obama will immediately veto it.
B. Democrats and Independents have enough votes to votes to filibuster (and therefore kill) legislation before it ever reaches the president’s desk.
C. Proposed budgetary changes to defund the law.
II. Individual Mandate

The undoing of this provision that requires nearly all Americans to obtain some form of health coverage or face a tax penalty would take away a huge incentive for healthy people to buy insurance, leaving the companies with more costly customers and forcing them raise prices to unaffordable levels.
III.  **Employer Mandate**

ACA requires all companies with at least 50 employees to offer health benefits to everyone who works at least 30 hours a week.

Under the guise of saying that this requirement is a barrier to more hours, Republican House and Senate plan to change this requirement by proposing to raise the threshold to 40 hours.
The real truth on the Employer Mandate and why changing the requirement would be harmful

1. Under the law, employers do not have to cover employees who work under 30 hours, thereby escaping health care obligations.

2. If the threshold is restored to 40 hours, employers could still cut hours to 39 hours, removing many out of the protections of the ACA.

3. Raising the fulltime threshold to 40 would double the numbers of workers at risk of a reduction in hours. [Commonwealth Fund]
Under the Boehner-McConnell proposal, employers could easily cut back large number of employees from 40-39 hours.
IV. Risk Corridor Program

Under the Affordable Care Act’s (ACA) Risk Corridor Program, insurers that offer marketplace plans and experience higher-than-expected costs (due to signing up those who are sicker) are eligible to have part of their costs reimbursed by the federal government.

Doing away with this protection could destabilize the ACA’ health insurance exchanges by raising premiums in the exchanges, increasing the deficit and forcing insurers to eat big losses, and may cause them to leave the marketplace exchanges. [Center on Budget Policies and Priorities]
V. Subsidies

Subsidies make the provision of care affordable.

A. The Supreme Court of the U. S. will again hear arguments on the legality of the subsidies early in March.

B. **Issue: Wording of the Law.** Does it limit insurance tax credits only to consumers who live in states that have set up their own insurance markets or are the subsidies also for those consumers who have purchased insurance in exchanges set up by the Federal Government?

C. The lawsuit puts at risk the overhaul's central aim of extending health coverage to lower-income Americans who don't qualify for Medicaid or have access to employer-sponsored coverage. More than 7 million people are currently enrolled and most are getting help, which is keyed to household income and the cost of a benchmark plan.
VI. MEDICAID

A. Proposals to place a “per capita cap” on federal Medicaid funding, under which the federal government would no longer cover a fixed share of each state’s overall Medicaid costs but would instead limit each state to a fixed dollar amount per beneficiary [Center on Budget and Policy Priorities]

B. A per capita cap would further jeopardize successful implementation of the ACA and undermine the law’s Medicaid expansion by limiting the federal government payments to cover nearly all costs of new Medicaid enrollees
Remember the 3-Legged Stool!

If **ANY** one Leg is cut, the Affordable Care Act is de-stabilized!
Continued Advocacy and Prayer

The General Synod of the United Church has always supported policies on health care as a human right for decades! Faith Communities are called to:

* Be Informed
* Engage in Advocacy
* Build Bridges
* Offer Hope