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Democratic rift spurs questions about Obamacare's future

'The biggest loser in the Democratic debate wasn't Hillary or Bernie, it was Obamacare,' says a Cato critic.

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With less than two weeks until the Iowa caucuses, the Democratic primary has morphed into an all-out brawl over Obamacare, with Hillary Clinton and Bernie Sanders offering starkly different prescriptions for its future.

That's a potentially risky proposition for the candidates and for a law that is still opposed by more than half of all Americans, according to recent polls.

The campaign has exposed a Democratic rift over the future of the landmark legislation, with both candidates acknowledging its weaknesses even as Republicans seek to destroy it. Clinton says she would make fixes to the law, while Sanders would blow up private insurance and replace it with a government-financed system he likens to Medicare-for-all.

"It does raise the question of whether the ACA is settled politically in this country," said Robert Blendon, an expert on health care politics at Harvard University. "It's probably not healthy to go into the election with a major achievement of the Obama administration disputed on the right and the left."

Foes of the law are already exploiting the rift.

"The biggest loser in the Democratic debate wasn't Hillary or Bernie, it was Obamacare," wrote Michael Cannon at the libertarian Cato Institute, one of the law's fiercest critics. "Clinton and Sanders inadvertently revealed that not even Democrats like Obamacare all that much."

The debate over health care also reinforces the criticisms dogging each candidate. It casts Clinton, who wants to build on Obamacare, as a pragmatist focused on incremental change. And it casts Sanders, who seeks sweeping change, as pushing grand ideas even if they're dismissed as a progressive pipe dream.

"Both potentially lose there," Drew Altman, president of the nonpartisan Kaiser Family Foundation said of the candidates. "Hillary Clinton is taking on Sanders, but also an idea that is

popular with Democrats. Sanders runs the risk of looking aspirational to the Democratic base but also impractical.”

To be sure, Clinton offered a full-throated defense of the law during Sunday’s debates, saying Democrats had fought too hard to expand health coverage, for too many decades, to re-litigate Obamacare. She calls for a cap on how much Americans pay for prescription drugs, and unspecified other changes to the drug and insurance industries to make health care more affordable.

But she has portrayed herself as a survivor of multiple health care wars who knows enough not to give Republicans the opportunity to vote against new health care legislation.

Sanders also attempts to thread the needle, saying he helped write the ACA and continues to support it, but that it’s not enough. “What we have to deal with is the fact that 29 million people still have no health insurance,” he said Sunday.

His plan, which he says would have to be preceded by campaign finance reform to blunt the power of the health care industry, would require new taxes on individuals and employers to cover its price tag of nearly \$14 trillion over a decade. It also targets the wealthy by taxing income and capital gains at higher rates and limiting tax deductions. Those details that would prove politically untenable in a general election — even though Sanders says most people would be better off because they’d no longer pay steep health insurance premiums.

Still, the proposal speaks to the liberal wing of the Democratic Party, who live in greater numbers in the early voting states of Iowa and New Hampshire and who have felt re-invigorated by his vision.

The jousting over health care — alongside gun control, voting rights and climate change — is part of a larger debate “over the soul and direction of the party,” said Dave Heller, a Democratic strategist and president of Main Street Communications. “Are we going to be a progressive party like Elizabeth Warren so eloquently articulates? Or are we going to be a more moderate party that tempers itself on some of these matters?”

Some health care experts worry the rift could further jeopardize support for Obamacare and that all the debate over single payer will come back to haunt Democrats.

“I have been anguishing over that,” Blendon said. “It reflects the fact that Democrats have an enthusiasm gap on health care.”

Democrats say they support the ACA in polls, he said, but not “very strongly.” Republicans, in contrast, are vehement in their opposition.

The lukewarm support is partly because Democrats made so many compromises to pass the landmark legislation — for instance, abandoning the so-called public option, which was a weaker version of single payer, to get it through Congress. Many are also frustrated by the high costs to middle-income families who don’t get big subsidies.

Democratic pollster Mark Mellman said he does not see the debate as a quandary for Democrats — as long as it does not spill into the fall. “I would not want to be sitting here in September or October, debating a single-payer system versus the ACA,” he said. “But if Clinton is the nominee, it won’t be an issue because she has always said it is not realistic.”

He notes that single payer polls well among Democrats and independents, with 81 percent of Democrats and 60 percent of independents favoring the idea, according to a late December poll by the Kaiser Family Foundation.

“The single-payer system has been endorsed by a large majority of Democrats for a long time,” he said.

Some think the debate could even help Democrats identify and work through some of the law’s problems — and perhaps garner some Republican support.

“The facts of Obamacare are that the exchanges are not enrolling as many people as people thought they would,” said Dan Mendelson, former associate director for health at OMB under Bill Clinton. “There needs to be a change. Even Clinton is saying that she would modify the ACA. The issue is that, in order to do that, there has to be a measure of bipartisan support. By having this debate, maybe this would stimulate it.”

To date, there’s been no sign of such support. Beyond vowing to scrap the Affordable Care Act — a vague message that plays well with the Republican base — Republican candidates have offered few specific proposals on health care.

“The Republican aren’t fighting on health care because they all agree on one basic premise: Obamacare is bad and should be repealed,” said Tevi Troy, a former deputy Health and Human Services Secretary under George W. Bush. “Beyond that, they know that delving into the details on a replacement muddies the message and raises difficult questions.”

But once the GOP field narrows, they too will have to grapple with the details.