



GOP healthcare bill is not repeal — it is ObamaCare-lite, or worse

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House Republicans have approved a bill to revise ObamaCare with only one vote to spare (217-213). Democrats and the media are having such conniptions about the American Health Care Act, you'd think Republicans were really about to repeal ObamaCare.

They're not.

Rather than do what their supporters sent them to Washington to do — repeal ObamaCare and replace it with free-market reforms — House Republicans are pushing a bill that will increase health-insurance premiums, make health insurance worse for the sick, and ensure that Republicans rather than the real cause (ObamaCare) will take the blame.

Let's start with where this whole mess started: March 23, 2010, when President Barack Obama signed ObamaCare into law.

On that day, and every one of the 2,422 days between then and the 2016 election, Republicans consistently and unequivocally vowed to repeal and replace ObamaCare. Presidential candidate Donald Trump formed a “Contract with the American Voter” in which he promised legislation that “fully repeals ObamaCare.”

On the 2,422nd day, voters finally gave the GOP control of both chambers of Congress and the presidency. Seventy-six percent of Republicans and 80 percent of Trump voters want Congress to repeal and replace ObamaCare. Areas of the country that supposedly had the most to gain swung the farthest to Trump.

Despite that mandate, House Republicans went behind closed doors and emerged with a bill that does not repeal the core provisions of ObamaCare, and therefore cannot begin to repair the damage those provisions are causing.

ObamaCare's core provisions are the “community rating” price controls and other regulations that (supposedly) end discrimination against patients with preexisting conditions.

How badly do these government price controls fail at that task?

Community rating is the reason former president Bill Clinton called ObamaCare “the craziest thing in the world” where Americans “wind up with their premiums doubled and their coverage cut in half.”

Community rating is why women age 55 to 64 have seen the highest premium increases under ObamaCare. It is the principal reason ObamaCare has caused overall premiums to double in just four years.

Community rating literally penalizes quality coverage for the sick, to the point where Harvard economists found patients with multiple sclerosis and other high-cost conditions “cannot be adequately insured” under ObamaCare. It is the driving force behind ObamaCare’s narrow networks and the exclusion of premier hospitals.

Worst of all, community rating is taking health care away from the sick. Community rating has driven every last insurer from the Exchange in east Tennessee, leaving 43,000 Americans — including many with expensive conditions — with no coverage after December. It may soon do the same in Iowa, and another 1,000 counties that have only one insurer remaining in the Exchange.

Why? Because community rating forces insurance companies to cover the sick below cost, which simply isn’t sustainable. The only solution ObamaCare supporters offer is to keep throwing more money at the problem — which also isn’t sustainable.

ObamaCare is community rating. The AHCA does not repeal community rating. Therefore, the AHCA does not repeal ObamaCare. In fact, Republicans are modifying ObamaCare’s community-rating price controls and other regulations in ways that will accelerate ObamaCare’s race to the bottom.

Why?

Republicans are salivating at the bill’s \$1 trillion dollars of tax cuts and cuts to government spending. So would I, if I thought those cuts would last. In reality, the AHCA gets the health policy wrong in ways that create armies of pro-tax voters who undo the bill’s tax cuts and spending cuts.

Preserving community rating will preserve so much of the instability in ObamaCare’s Exchanges (and guarantee that Republicans will take the blame) that voters will demand bailouts (and will vote for candidates who provide them).

The AHCA’s Medicaid cuts are also unlikely to stick. Despite official projections, health care providers could avoid those cuts and keep Medicaid spending on its current, unsustainable path by banding together to lobby states to expand eligibility to able-bodied adults. Like ObamaCare’s Medicaid expansion, the AHCA’s “reforms” create incentives for states both to expand Medicaid to able-bodied adults while cutting benefits for the truly vulnerable.

Nevertheless, Republicans, Democrats, and the media all have an incentive to pretend the AHCA would repeal ObamaCare. Republicans don’t want their base to know they are renegeing on their promise of repeal. Democrats want to frighten their voters into opening their checkbooks and turning out at the polls in 2018. The media love to sell ads.

But the reality is that the Republicans are not repealing ObamaCare. They are making it worse, and offering to take the blame for its failures, which will ultimately cement that law in place.

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