

Repealing Obamacare raises sticky questions about guaranteed coverage

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Even while taking steps to repeal the Affordable Care Act, congressional Republicans echoing President-elect Donald Trump say they want to preserve a popular part of President Barack Obama's signature health care law -- guaranteed coverage for people with pre-existing conditions.

But without an agreement on how to replace Obamacare, health care leaders including the head of the Fairview Community Health Center clinics in Kentucky say they're worried about the future.

Obamacare, for all of its problems, led more people with chronic conditions such as diabetes to get insurance and medical care, said Chris Keyer, executive director of the center serving a rural area near Bowling Green.

If the guarantee is weakened, she worried that people may lose coverage, bringing back the days when patients went without treatment until they landed in an emergency room in a diabetic coma.

Though there's no consensus, the most extensive alternative to Obamacare laid out thus far would guarantee coverage for fewer people with pre-existing conditions.

The plan crafted by House Republicans last year removes the guarantee for those who've had lapses in insurance coverage, for example if they've lost a job or decided they couldn't afford insurance for a time.

Changes to the guarantee could disproportionately hurt states with high numbers of people with pre-existing conditions -- including Georgia, Kentucky and West Virginia, which have more people who suffer chronic illness -- according to the Henry J. Kaiser Family Foundation.

Questions of how to deal with those people illustrate the complexities of finding a replacement to Obamacare.

Requiring insurers to carry people with such conditions adds costs for those companies.

At the same time, Republicans and Trump say they want to dump Obamacare's controversial mandate that all Americans sign up for insurance or pay a fine. That provision was intended to balance costs for insurers, however, by forcing more healthy people to pay into the system.

Removing the individual mandate while requiring coverage for people with chronic conditions will cause problems, say health care analysts, insurers and even some Republicans.

Premiums will spike if healthier people forego insurance, wrote Larry Levitt, senior vice president of the Kaiser Foundation in an op-ed in the Los Angeles Times.

The result, he said, is a "death spiral" for the insurance industry as higher premiums prompt more healthy people to drop coverage.

Sen. Rand Paul, R-Ky., made the same point last week when writing for the news and commentary website Rare.us that the combination of the two "will only accentuate the bankrupting of the insurance industry."

It was unclear if Paul was calling for an end to the coverage guarantee, as have conservatives including Michael Cannon, director of health policy at the libertarian Cato Institute.

Paul is expected to unveil his own replacement plan later this week.

Sen. Robert Casey, D-Pa. a member of the Senate Ways and Means Committee, railed in an interview against Republican promises to preserve the guarantee while allowing young adults to continue to stay on their parents' insurance plans until age 26.

"If you're making those two promises, and at the same time saying you're going to get rid of the individual mandate, you've just lied to the American people," Casey said last week.

Sen. Elizabeth Warren, D-Mass., has also blasted Republicans. "They are shocked, shocked, to discover that guaranteeing Americans access to health care is a complex business, and they don't have any good ideas," she said on the Senate floor Monday night.

A potential strategy is the plan espoused by Rep. Tom Price, R-Georgia, who is Trump's nominee for health and human services secretary, which was approved by House Republicans last year.

In broad terms, the plan proposes lowering costs for insurers by creating unspecified incentives for people to stay healthy, and raising limits on how much older people may be charged for the same insurance that younger people receive.

The idea is to lower premiums for younger people, getting more to sign up.

In addition, the plan only guarantees coverage for people with pre-existing conditions if they do not have a lapse in coverage. That discourages people from waiting until they have problems to buy insurance, which also encourages more healthy people to sign up.

Those who lose coverage can still get insurance through a high-risk pool, though critics say those pools come with astronomical premiums.

Meanwhile, Republicans in Congress want to keep the focus on Obamacare's problems and reassuring constituents that they'll have a plan.

"It's time to admit it, Obamacare has failed," said Senate Majority Leader Mitch McConnell, R-Ky., in the Senate on Tuesday.

Senate Majority Whip, Sen. John Cornyn, R-Texas, pledged in a statement, "We're not going to let people fall through the cracks."

While some Republicans are wary of repealing Obamacare before settling on a replacement, others said a new system can be created as the old one is phased out.

Sen. Shelley Moore Capito, R-W.V., a supporter of repealing Obamacare, said any replacement should have a "substantial transition period to protect access" for thousands in her state of people who got coverage through Obamacare, including people with pre-existing conditions.

Sen. Johnny Isakson, R-Ga., a member of the Senate health care committee, said he believes there's consensus about preserving the pre-existing condition guarantee. His office did not respond to questions about offsetting the costs.

Sen. James Lankford, R-Okla., who backed a procedural move to begin Obamacare's repeal, also said a replacement needs to provide a "smooth transition" to a better system.

Still unsure what that is, Keyer, of the health clinic near Bowling Green said, "There's a tremendous sense of worry."