

# Trump Eyes Obamacare Deal As '100 Days' Nears

## President using health law as chip to fund border wall

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After a humiliating defeat last month, the White House would like to pass an Obamacare repeal-and-replace bill this week, but the priority this time is to “get it done right,” White House spokesman Sean Spicer told reporters Monday.

Spicer said the White House will encourage House Speaker Paul Ryan and the House Republican leadership to move forward when “they feel confident that they have the votes.”

“We have been very clear from here, and I think the president has been clear in his comments that our goal is to get it done and get it done right, and to get it done to make sure that we have the votes,” he said.

Spicer said the White House is OK with a vote being scheduled this week or the next, or the week after.

“But I think we want to make sure that we’ve got the votes and we’re headed in the right direction before putting some kind of artificial deadline,” he said.

Members of the conservative House Freedom Caucus and the moderate Tuesday Group appear to be in the final stages of striking a deal, [the Daily Caller reported](#). An agreement brokered between HFC Chairman Mark Meadows and Tuesday Group Co-Chairman Tom MacArthur is expected to allow states to waive out of a number of Obamacare’s Title I regulations. Conservative House members contend it’s the only way to significantly reduce premiums while ensuring preexisting conditions remain covered.

President Trump has warned that if Republicans fail to reach a consensus, he might work with Democrats to craft a deal.

Meanwhile, the prospect of a government shutdown looms if the House fails to reach a budget agreement by Friday.

As [WND reported](#), members of the House Rules Committee stayed behind at the beginning of the Easter recess to pass an amendment approved by members of the House Freedom Caucus, which was blamed by Trump and other Republican leaders for last month’s failure.

On March 24, House Speaker Paul Ryan was forced to pull from the floor the repeal-and-replace plan promoted by President Trump after failing to garner enough support from his party, which controls both the House and the Senate. Efforts to compromise with the Freedom Caucus led to several moderate Republicans bailing out.

Just before the Easter break, the two Republican factions allegedly were close to an agreement, supported by the White House, to allow states to opt out of Obamacare's provision to preexisting medical conditions, but the deal never materialized.

However, after the recess began, the Rules Committee passed an amendment supported by Freedom Caucus members that offers a variation of the high-risk pools plan proposed by House Speaker Ryan, which removes the costliest patients from the general insurance pool and creates a separate one supported by public funds. The Palmer-Schweikert amendment, named after House Freedom Caucus members Reps. Gary Palmer of Alaska and David Schweikert of Arizona, would set aside \$15 billion for states to reimburse health insurance for covering costlier patients.

### **McConnell promised 'root and branch' repeal**

House Freedom Caucus member Andy Biggs, R-Ariz., wrote Monday in a Washington Examiner op-ed that the American Health Care Act bill that was pulled last month "does not come close to fulfilling our promises."

"It is far too complex, takes too long to explain, and requires multiple disjointed steps, instead of a straight clean path to repeal. It also relies on the audacity of an unelected bureaucrat to tell us, the people's representatives, what we can and cannot do, rather than the other way around."

When they were running for office last fall, House Republicans, Biggs emphasized, promised to repeal Obamacare, meaning it "would be completely gone, as if it didn't exist."

He recalled Senate Majority Leader Mitch McConnell, R-Ky., promised Congress would repeal Obamacare "root and branch."

With the budget deadline looming, Trump appeared to have the border wall higher on his priority list, indicating he was prepared to even expand Obamacare by offering to continue the crucial \$7 billion in subsidies paid to insurance companies in exchange for funding the wall.

In an interview with the Wall Street Journal last week, Trump said he might end the payments to insurance companies to cover low-income subscribers to force Democrats to the negotiating table. Some 7 million people, or 58 percent, of those who signed up for Obamacare coverage for 2017 qualify for the cost-sharing subsidies. Without the payments, insurance companies could raise rates across the board, making insurance unaffordable for many more people.

Michael F. Cannon, the Cato Institute's director of health policy studies, charged providing the subsidies would reward illegal behavior, noting the Democratic Congress and President Obama never appropriated funding for the subsidies. But Obama issued the subsidies anyway, because Obamacare would have collapsed otherwise.

When the Republicans took over the House they sued the Obama administration for encroaching on Congress' power of the purse. A federal judge ruled in the House's favor, determining the payment of the cost-sharing subsidies is unconstitutional.

But now, Trump is indicating a willingness to continue the payments.

"Think about what this would mean. Republicans are unanimous that President Obama violated the U.S. Constitution by spending billions of dollars without a Congressional appropriation. If Republicans respond by just appropriating that funding themselves, they will be rewarding illegal behavior," Cannon wrote. "If Republicans fund Obamacare's cost-sharing subsidies, they

will encourage future presidents to spend money illegally, because they will be telling future presidents that they can get away with it.”

Sally C. Pipes, president, CEO and fellow in health care policy at the Pacific Research Institute, believes Congress should end the reimbursements to bring Democrats back to the negotiating table.

“Obamacare’s exchanges are on a fiscally unsustainable path. Scrapping the subsidies will only hasten their inevitable demise — and force Republicans and Democrats to work together to replace the law with something actuarially sound now, before the exchanges’ finances worsen further,” she said. “As an added bonus, ending the subsidies would represent a win for the Constitution.”

If Trump ends the payments, he’ll be abiding by the Constitution, Pipes argued further.

“Insurers may consequently leave the exchanges and thus accelerate the collapse of the individual insurance market,” she wrote. “But such an implosion is unavoidable. After all, according to Aetna CEO Mark Bertolini, the market is already in a ‘death spiral.’”

The Washington Examiner pointed out that while congressional Republicans have little desire to prop up Obamacare, the subsidies “flow to perhaps hundreds of thousands of Americans who live in districts represented by Republicans considered soft targets for the Democrats in 2018.”

“Republicans wanting Obamacare to collapse might be a good talking point in 2017, but it will be disastrous at the ballot box for us in 2018,” a former House GOP aide told the Examiner.

### **‘About to get worse’**

Grover Norquist, president of Americans for Tax Reform, warns that Obamacare is “about to get worse before Congress repeals it,” pointing out a tax on health insurance that was delayed until after the 2016 election likely will take effect in 2018 if it isn’t further delayed Friday.

When the tax begins to bite, he said, premiums will soar even higher, recalling that while Obama promised voters his law would decrease premiums by \$2,500 a year, they instead went up by nearly \$5,000.

“Insurers are already beginning to price their plans for next year so any delay must happen soon,” Norquist said. “Congress can and should immediately act to delay the tax for one year.”

The 4 percent to 6 percent tax is levied on insurance companies for every health plan sold in America, with the exception of coverage provided by firms that self-insure their employees.

Industry sources have said that insurance companies would immediately pass on the cost of the tax to consumers in health plans being priced for sale later this year for coverage in 2018.

Republican sources on Capitol Hill told the Washington Examiner Monday that there are no plans to delay implementation of the tax in a government funding bill.

“It’s not on the table for negotiation,” a senior House Republican aide familiar with the budget talks said.

The Examiner pointed out, “Zero congressmen will have to pay this tax.”