

Trump casts himself as the guardian of Medicare, the government program Republicans have long sought to overhaul

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In signing <u>an executive order</u> to strengthen Medicare Thursday, President Trump positioned himself as the guardian of the government healthcare program for seniors that Republicans originally opposed as socialism and have long sought to overhaul.

The executive order, called Protecting and Improving Medicare For Our Nation's Seniors, is meant to boost Medicare Advantage, an alternative to traditional Medicare that allows for private plans approved by the government. It <u>will allow</u> Medicare Advantage to cover <u>even more services</u> that traditional Medicare doesn't cover, such as adult daycare, expand the use of telehealth so patients can reach their doctors through computers or iPads, and will allow the government to pay for newer technologies and treatments soon after regulators approve them.

The order is meant to offer a contrast between Trump and liberal Democrats who want favor the Medicare for All Act, which would upend the current healthcare system to enroll the entire population in a government plan. Trump <u>called the idea</u> "socialist" and on Thursday pledged that under his administration, "Medicare would never be taken away from you."

"What the president is doing today is putting a stake in the ground, saying he's going to be the one defending and protecting Medicare for our seniors," Health and Human Services Secretary Alex Azar <u>said Thursday</u> on Fox Business. "He's going to be improving Medicare, and he's not going to let anyone touch their Medicare. That hurts them."

But this type of framing, of stressing the importance of protecting Medicare, is out of step with mainstream conservative policy thinking. Conservatives generally point out that Medicare faces significant funding problems and that it's one of the biggest drivers of the country's debt. The program pays out more than it takes in, particularly because so many baby boomers are aging into the program when they hit 65.

"Conservatives have for a long time argued that our entitlements, with Medicare first and foremost, are unsustainable, and we have to do something looking in the long run, and now even in the short run, to make sure these programs are even around to serve people," said Christopher Holt, director of healthcare policy at the conservative American Action Forum.

Government forecasts show the part of Medicare that pays for hospital care <u>is expected to run out of full funding</u> in 2026. At that point, the program would pay a diminishing amount of reimbursement for medical costs. While Democrats would see such a crossroads as a reason to raise more revenue, Republican leaders have instead said the financing for plans should be revamped.

In rolling out the executive order Thursday, the administration steered clear of calling for Medicare spending reductions, which would largely have to go through Congress. When asked about how the Trump administration would help assure Medicare's sustainability in the long term, something officials said was part of the president's executive order, health officials pointed to reductions in premiums for prescription drugs and reductions in "burdensome" regulations. Seema Verma, administrator of the Centers for Medicare and Medicaid Services, said on Twitter that overhauling regulations would save almost \$6 billion over the next decade.

But the funding problems Medicare faces are far greater. Medicare is <u>expected</u> to rise steadily as a share of GDP from 3.7% in 2018 to 6% of GDP in 2043. The Congressional Budget Office has projected that net Medicare spending will increase from \$630 billion in 2019 to \$1.3 trillion in 2029. It faces a financing gap over the next 75 years of more than \$40 trillion.

Republican healthcare rhetoric in recent years has focused on repealing Obamacare, but over several decades the party also sought to overhaul Medicare. Republicans fought its creation in 1965. At the time, Ronald Reagan, who was a rising star in politics, dubbed Medicare "socialism." House Speaker Newt Gingrich said in the 1990s he believed Medicare would "wither on the vine," and House Speaker Paul Ryan, who left office last year, bemoaned in June that he never fulfilled his goal of overhauling entitlements, including Medicare.

"Republicans have been on a multidecade crusade to tear down Medicare, from originally opposing its creation to repeated plans to cut it, to plans that would privatize it," said Jesse Ferguson, a Democratic strategist.

Ryan wanted to address Medicare's spending problems in 2018 but faced resistance from Trump and other Republican leaders who warned of the political consequences of going after the popular program during an election year. The political liability was on display in March, when Democrats <u>blasted</u> Trump's budget as calling for Medicare cuts. (In fact, the budget had called for reducing spending on Medicare through curbing improper payments and though lowering the price of prescription drugs.)

"Medicare is a very popular program, and Democrats and Republicans are very sensitive to the anxieties people on Medicare have about the future of Medicare and the risks to their own financial security," said Tricia Newman, director of the Kaiser Family Foundation's Program on Medicare Policy.

As a candidate, Trump vowed not to cut spending on Medicare. He re-stated his promise to protect Medicare on Thursday, saying Democrats wanted to "take it away and give you lousy healthcare" and that under his watch "no one will lay a hand on your Medicare benefits."

Michael Cannon, director of health policy studies at the libertarian Cato Institute, suggested in an email that he saw the overall messaging about protecting Medicare as problematic.

"I want to protect Medicare' means, 'I would rather keep seniors dependent and frightened than provide them a better choice," he said.

The administration's latest Medicare attack is similar to the one Republicans waged against the Obama administration. They often accused Obamacare of cutting Medicare — it did reduce how much the program reimburses hospitals and private insurers, although the Obama administration maintained that the change did not constitute a cut.

Over the past decades, however, Republicans have proposed changing Medicare so that its budget will become fixed and predictable, including by giving beneficiaries premium supports to help to buy private coverage, rather than getting coverage from the government.

"In the past, Republicans have been more likely than Democrats to push for fundamental changes to the Medicare program, including proposals like premium support or raising the age of eligibility," Newman said. "Often these proposals were pushed within the context of budget negotiations."

Despite past rhetoric, they haven't overhauled Medicare when they've been in power, and the issue has taken a backseat since the Obama administration. Instead, Republicans passed the tax overhaul Trump signed into law, which had an indirect effect on Medicare by taking in less revenue and weakening its trust fund. Also, by boosting Medicare Advantage plans, the government will also end up spending more than it would have on traditional Medicare.

"I do think you'll see people pivot back on the arguments post-Trump," Hold said of Republicans, but added, "How do you credibly make those arguments when the last time you were in a position to do something you didn't?"

Holt said it was important for Republicans to campaign on overhauling Medicare, as critics are likely to cast any policy proposals about restructuring the program as a cut. Charging that "Medicare for all" hurts Medicare has the consequence of undermining Republican efforts to overhaul the program in the future, Holt suggested.

"If you can't win elections talking about it, then you can't bring people around the table to work on it," he said.