



Tom Price Says Insurers Opposition to Health Care Bill is 'Perplexing'

Melissa Porter

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The regulations in the Affordable Care Act aimed to put everybody in the same pool. Tax-credits would continue to be provided for people using Obamacare-compliant plans.

A health care proposal from Senate conservatives would let insurers sell skimpy policies provided they also offer a comprehensive plan. It was clear the Senate's job was to make the House plan more palatable to the voting public. Those with preexisting conditions will be on the heavily subsidized exchanges, and those with lower health-care costs would buy non-Obamacare plans outside the exchanges. The two main *insurance* industry lobbying groups, America's Health Insurance Plans and the Blue Cross Blue Shield Association, have joined in opposing the plan.

Indiana University law professor David Gamage told us pricing would drive the market. The other plans would cost less. Even if I don't lose coverage, I would still face much higher deductibles and probably premiums, annual and lifetime limits on my employer plan, and these huge increased costs would eat into my ability to save for the future.

Even if the exchanges were collapsing into a death spiral, it would not justify their plans to slash Medicaid, a program that does not require actuarial balance and is not even theoretically susceptible to a death spiral. Premiums for those who need comprehensive coverage would shoot up. "This would especially impact middle-income families that that are not eligible for a tax credit".

After much wrangling, the House eventually passed a bill that was imperfect in its approach, and was essentially a punt to the Senate to come up with a better solution.

It remains to be seen if moderates will like the Rounds idea, and it's tricky to gauge how well it will work before it's committed to paper with specifics.

Michael Cannon at the libertarian Cato Institute wrote in an op-ed that by forcing *insurance* companies to ignore the likelihood that someone will need care, the Affordable Care Act has driven up the cost of coverage and hurt most people. The new draft was not expected to make major changes in the cuts. "It would allow insurers to reintroduce innovative products, which Obamacare effectively outlawed, that would reduce premiums a further 80 percent". "People

who think they can live without those protections go to the cheaper policies and take with them their premium dollars".

"You have two pools with, potentially, completely different populations and completely different benefits", he said.

The Senate bill offers over \$180 billion to balance out Cannon's free-market medicine.

There is uncertainty, though, as to what the states will do if the Senate bill becomes law. Cruz's too-cute-by-half machinations leave him politically isolated, once again. Cruz and his fellow GOPers have argued that this will give people more personal "freedom" in the health *insurance* market. A few more compromises may be necessary - there is still much more that could be done to improve the bill - but conservatives would do well to note that moving in the direction of the original Cruz Amendment into the legislation to improve it is no small accomplishment.

Under the ACA, insurers had to offer policies that met certain criteria, such as which benefits were provided and which medical conditions had to be covered. "I keep going back to the fact that they are living a better quality of life".

"I don't know how you would do that", Pollitz said.

"It is simply unworkable in any form", the letter said. "It's adverse selection", she said.

With the latest, and probably final, version of the Republican plan to repeal and replace Obamacare due to emerge Thursday, the party leadership is in the astonishing position of desperately trying to design a workable plan to meet their deadline.

It is important for future fiscal survival to limit this exploding entitlement but the real Republican goal for the \$772 billion in savings over 10 years is not savings, but to fund overall tax reform, again subject to "cut the poor to support the rich".