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The new GOP health-care bill isn't better or worse. It's just more incoherent.

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The Post reports:

Senate Majority Leader Mitch McConnell (R-Ky.) released a new proposal to overhaul the Affordable Care Act on Thursday after spending three weeks reworking it to win over wavering lawmakers on the right and in the center.

But within hours, it was clear that Senate leaders still didn't have the votes to fulfill their long-standing quest to replace former president Barack Obama's 2010 health-care law.

The new draft would lift many of the ACA's regulatory requirements, allowing insurers to offer bare-bones policies without coverage for services such as preventive or mental-health care. It would also direct billions of dollars to help lower- and middle-income Americans buy plans on the private market.

However, the draft leaves in place deep proposed cuts to Medicaid — and at least three Republicans quickly signaled opposition to the bill, casting doubt on McConnell's plans to pass the bill next week.

Several important aspects of the last, final gasp of "repeal and replace" fever on the right deserve attention — most particularly the intellectual collapse and political impotence of the GOP's right wing.

Conservative senators who inveighed against weak-kneed "establishment" leaders now favor government subsidies for health care and the requirement that insurers offer exactly the same regulated health care that Obamacare required (in addition to other options). This is the party that condemned Obamacare as a government takeover of one-sixth of the economy. So what was the GOP's complaint about Obamacare again? Republicans now put their stamp of approval on a bill that leaves in place a system they said was a failure, not to mention an infringement on free-market principles.

Likewise, the right now refuses to eliminate all Obamacare taxes, a blow to the anti-tax activists who have dominated the party for 30-plus years and a nod to progressives who for years have disparaged "reverse Robin Hood" schemes to shift wealth from the less-well-off to the rich. Grover Norquist of Americans for Tax Reform (ATR) was terse and obviously disappointed. "All Obamacare taxes should be repealed. The Trump tax reform plan, the House health bill, and

the original Senate health bill abolished the Obamacare 3.8% Net Investment Income Tax," he said in a written statement. "Given the most recent language leaves some of the taxes in place, it is important for Senate Leadership to make it clear that those taxes will be abolished in tax reform this year." If the most zealous tax-cutters now accept a bill that leaves hundreds of billions of dollars in taxes in place, what exactly does the GOP stand for when it comes to taxes? Since Republicans have acknowledged the unseemliness of big tax cuts for the rich, one wonders how they plan on justifying even bigger cuts as part of a tax reform plan.

At its core, the GOP's bastardized system — keeping Obamacare-style plans in place but adding cheaper plans with higher deductibles — defies logic and solves no particular problem. Voters said Obamacare deductibles were too high. This latest proposal continues those plans (minus the individual mandate, a move that will increase adverse selection) and adds in even *higher*-deductible plans. It does not halt the adverse selection/death-spiral problem in the exchanges; it *accelerates* it. ("Critics, including insurers, say that providing the option of skimpier plans would draw younger, healthier consumers into a separate risk pool. That development would drive up rates for the Americans buying more-comprehensive coverage on the individual market, which could in turn destabilize the entire market.") This "solution" solves nothing, but rather underscores and accentuates the affordability problem, about which Republicans cried buckets of crocodile tears for more than seven years. The entire health-care escapade confirms what many figured out long ago — Republicans' interest in and affinity for health-care policy is minimal.

The <u>Cato Institute's Michael Cannon</u> sneers at the pseudo-choice amendment embraced by some conservatives:

This draft imposes ObamaCare's "single risk pool" price controls on "freedom option" plans. Long story short, that means there is no "freedom option" in this bill. Insurers probably would not even offer non-compliant plans. If they did, ObamaCare's "single risk pool" price controls would make secure, guaranteed-renewable health insurance impossible by taxing such plans to death. . . . The "single risk pool" price controls would require insurers to increase premiums for both both ObamaCare-compliant plans and non-compliant plans by the same percentage. If claims in the complaint market necessitate a 10 [percent] increase, while claims in the non-compliant market necessitate only a 6 percent increase, the insurer would have to increase premiums in the former market by too little and/or increase premiums in the latter market by too much.

As a political matter, the latest version of Trumpcare cannot draw enough support from moderates, who still object to massive cuts in Medicaid and a plan that forces older, sicker Americans to pay more. The bill leaves supposedly staunch conservatives, such as Sen. Ted Cruz (R-Tex.), in the position of advocating for a pseudo-Obamacare plan — and right-wing interest groups (e.g., ATR, Heritage Action) trying to justify concessions (or else criticizing the handiwork of its pets, such as Cruz). The effort makes House Republicans who voted for a prior, crueler and more regressive version of the bill look especially foolish and craven. The biggest loser in all this may be House Speaker Paul D. Ryan (R-Wis.), who forced members to walk the plank for horrid legislation that would never pass the Senate.

The common thread running through all of this is utter, acute intellectual incoherence. The bill leaves in place enough of the Affordable Care Act to make hypocrites of many prominent leaders and to disgrace chest-thumping conservatives. The bill suggests Republicans have no real policy objective here, other than wanting to eviscerate the handiwork of the eponymous author. They are reduced to pure posturing and blame-shifting. Instead of replacing Obamacare with something better, the GOP is now dedicated to replacing it with *anything*, no matter how bad, because it said it promised to get rid of President Barack Obama's signature achievement. This vividly captures the split between, on one hand, Republicans who care about solving problems (Sens. Rob Portman, Lisa Murkowski, Shelley Moore Capito, Susan Collins) and, on the other, Republicans who are slaves to sloganeering and who are convinced that rural, less-educated voters are unsophisticated rubes who can be bamboozled by talk radio, Fox News hosts and White House lies. The few on the far right, such as Sen. Rand Paul (R-Ky.), who have actual principles—albeit ones we don't agree with — are revealed to be far fewer in number than their rhetorical volume suggests.

The good news for the country and the center right may be that the Portman/Murkowski/Collins/Capito wing of the party may be the only part of the GOP to survive with its moral and intellectual credibility intact. The bad news is that it is still badly outnumbered by the intellectually vacant, crass operators who have demonstrated no capacity for governance. Perhaps in finding common ground with Democrats to fix Obamacare, the moderate/problem-solving wing can redeem the party and reshuffle the political landscape; if not, its members at least sleep at night knowing that they were not responsible for the demise of a once-serious party.