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Republicans abandon strategy of highlighting Obamacare's losers

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Republicans have abandoned their strategy of elevating people hurt by Obamacare as the midterm election pressure has increased.

Gone from the airwaves are personal anecdotes from those President Trump once dubbed the “victims” of Obamacare: people who faced soaring costs or the loss of their doctor. Millions of Obamacare customers still face those problems, but Republicans are no longer talking about the victims they once championed.

To be sure, most congressional Republicans still do pledge to repeal Obamacare. Senate Majority Leader Mitch McConnell said this month that Republicans would take another swing at the healthcare law if they retain power, saying that they are "not satisfied with the way Obamacare is working." And the Trump administration has pursued regulatory changes geared toward Obamacare losers.

Can Trump close the midterm deal?

But the tone and focus have shifted. Republicans on the campaign trail aren't highlighting the specific harms customers face as justification for full repeal, and the president hasn't been holding press events with the law's losers, as he did during last year's repeal push.

Even this year's open enrollment period hasn't elicited much GOP messaging. In past years, the news would have provided plenty of ammunition for Republicans: Rates are too high for some customers, even after falling modestly, and half of counties feature only one option for coverage.

Instead, Republicans are working to prove that they want to keep the law's popular protections for the sick, even though the policy scaffolding for those protections created the law's victims in the first place.

The premise of Obamacare was to ensure that people without insurance could not be denied a policy because of a pre-existing condition, such as cancer or diabetes. The law addressed the problem by mandating that health insurance companies give sick people a certain level of

coverage at the same price as they do for healthy people. Because Republicans have tried, through Congress and the courts, to undo the law, Democratic attack ads have depicted a GOP-dominated future as one in which millions of people with serious medical conditions would lose healthcare coverage.

The pressure has been too much for many Republicans, and they've radically re-focused their campaigns to prioritize pre-existing condition protections, and not the victims who suffered the trade-offs necessary to implement those protections.

Who the victims are

Giselle Aguiar, 63, is one of those people. Aguiar, a marketing consultant in Arizona, says that she has been uninsured since 2016 because she couldn't afford the premiums for the insurance plans offered on Obamacare's exchanges. Under the law, she did receive a small subsidy for plan premiums, but they cost nearly \$400 a month in 2015 and were set to go up even more the following year. Plans with a lower premium came with a \$5,000 deductible, she said.

Because her business ebbs and flows, she said she could afford premiums one month, but not the next.

"I just have to be really careful," said Aguiar of her life without coverage, noting she will soon be able to enroll in Medicare. She has gone off of one of her medications and made lifestyle changes, losing 30 pounds and paying medical expenses out of pocket.

Aguiar isn't the only one who has found coverage out of reach. Through Obamacare, more costs were shouldered onto certain people, particularly those who fell in the middle class and needed medical care only rarely. People in that group, who once received the bulk of Republican attention, have said that Obamacare harmed their finances, diminished their quality of life, or even priced them out of the market.

Their suffering can be traced, in large part, to the fact that protections for people with pre-existing conditions made health insurance more expensive. Prior to the law, premiums cost an average of \$232 a month. By 2017, they had more than doubled to an average of \$476 a month, according to a report by the Department of Health and Human Services.

Not everyone pays these prices, because premiums vary depending on age, location, and smoking status. But income is also a major deciding factor under the law.

People below certain income thresholds, about \$92,000 for a family of four and \$48,000 for an individual, get help from the government to pay for plans.

But about 7 million people are paying Obamacare premiums on their own because they make more than that and thus don't get subsidies. And some who had started out getting insurance through Obamacare appear to have reached a breaking point. The HHS report on rising premiums found that a million people who didn't get subsidies abandoned the market. For them, the protections offered by the law weren't accessible.

"We had a law that did make great strides in giving more people access to care but didn't solve the fundamental cost problem associated with that," said Hans Leida, consulting actuary at Milliman. "As you cover more things and cover people with pre-existing conditions, fundamentally premiums will be higher."

The Obamacare exchanges were meant to help people who don't get health insurance through a government program or through work. The exchanges allow them to buy plans that protect against catastrophes. Equally as important, from the vantage point of the law's designers, Obamacare guaranteed that people with severe, lifelong medical conditions, such as hemophilia, wouldn't get rejected. Previously, facing a medical crisis could leave people unable to get coverage and at risk of bankruptcy.

Yet, for some people, the promise of Obamacare is empty, because the math doesn't work in their favor.

By 2018, the average individual deductible for Obamacare plans, or the amount patients are supposed to pay before health insurance will pick up the rest, was \$4,578 for an individual. For a family, it was \$8,803 a year, according to an analysis by the online private insurance marketplace eHealth.

“‘Coverage’ is a slippery term,” said Larry Levitt, senior vice president for health reform at the Kaiser Family Foundation. “It’s not just having the benefits on paper, but being able to afford them. That has absolutely been a challenge under the Affordable Care Act.”

For people like the family of Sarah, 45, in Florida, who asked her last name be withheld out of privacy concerns, the high costs have meant that for a time coverage was out of reach. Sarah has gone on and off the Obamacare marketplace because of cost and job changes. Her family went uninsured at the end of 2014 and the beginning of 2015 when they said they saw premiums would cost about \$1,700 a month with a nearly \$7,000 deductible.

For people in Sarah's situation, the guarantee of health insurance offered by Obamacare isn't meaningful. “In order for it to be truly valuable insurance, you would need a pre-existing condition where you would go through a large sum quickly or get hit by a meteor or a bus for it to pay off,” David Anderson, Research Associate at Duke University’s Margolis Center for Health Policy, said of the plans. “The amount of money you spend not using it is painful.”

Another set of Obamacare losers is the group people who have to wait for a long time to see a doctor or have to switch to a new doctor from year to year because their insurers are trying to reduce premiums by limiting coverage.

A report from the consulting firm Avalere Health found that so-called “narrow networks” made up 73 percent of the Obamacare exchange market in 2018. Narrow networks aren't something that most people outside of Obamacare experience: Only 7 percent of firms used narrow networks for insurance plans for employees, according to the Kaiser Family Foundation.

Forgotten in the election

The real trade-offs involved in Obamacare have faded from sight as the elections have neared.

In past campaigns, Republicans ran hard against Obamacare. From 2010 to 2014, they ran more than 10 times the number of anti-Obamacare ads as Democrats ran in support of the law.

Sen. Ted Cruz, R-Texas, for instance, rose to national prominence by leading an effort to defund the law. Facing re-election, though, he recently vowed to support protections for pre-existing conditions.

Sen. John Barrasso, R-Wyo., chairman of the Republican Study Committee who is expected to easily win back his seat, has called Obamacare "unworkable and unaffordable" and often said it hurt people. He recently signed onto a bill that keeps some of the same Obamacare protections.

Protections for pre-existing conditions poll well among voters, but there isn't much information available about voters' views of the relative merits of Obamacare's protections for sick people and the problems its created for other groups. One poll from the libertarian Cato Institute, from February 2017, found that 63 percent of people favored the rule banning health insurers from "charging some customers higher premiums based on pre-existing conditions."

But favorability dropped to 39 percent when people were asked whether they still wanted the protections if it meant higher costs to them, to 31 percent if it meant worse healthcare, and to 25 percent if it meant waiting to see a needed specialist.

Republicans generally aren't talking about how to both protect those who faced collateral damage under Obamacare and those with pre-existing conditions. Rep. Martha McSally, R-Ariz., came close, saying recently that it was important not to return to a time where people risked going bankrupt because of a health condition, but adding that "the Obamacare model has failed." But otherwise, the GOP has not attempted to address both problems.

Obamacare, with its specific subsidies, mandates, and regulations, isn't the only conceivable way to help the sick receive medical coverage and care. Conservatives have suggested setting up a large fund, known as a high-risk pool, that would pay for the most costly medical care so the rest of the market isn't affected.

It's not clear what direction Republicans would go in if they have another shot at overhauling Obamacare. Rather than propose something specific, they have instead broadly committed to protections. They have at times introduced bills similar to Obamacare but left out parts that would help keep coverage affordable for the sick.

Conservative analyst Chris Jacobs has said that he thinks Republicans have to choose between keeping the status quo on pre-existing conditions or keeping their promises to repeal Obamacare. Taking out certain parts, like allowing insurers to exclude coverage for certain medical services, would be destabilizing, he said.

"Repealing the other things wouldn't do as much to lower premiums," he said. "It would also just blow up the market."