

Healthcare debate not going away

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If you thought that last week's debacle marked the end of the health-care debate, guess again. As much as Republicans in Congress would like to move on to other things, the issue isn't going anywhere.

First, of course, none of Obamacare's failures have gone away. Millions of Americans are still forced to buy overpriced, lousy health insurance that they don't want. (Don't forget that the majority of people that would have "lost" coverage under the Republican plans would have actually dropped coverage voluntarily in the absence of a mandate.) Premiums and deductibles are still rising. Provider networks are still shrinking. And insurance companies are still pulling out of the exchanges. Doing nothing may help shift the blame for Obamacare's inevitable collapse, but it won't stabilize the market.

Second, the Trump administration faces a number of key decisions about how to implement the law. Most significantly, the administration must decide soon — perhaps as early as today — whether or not to continue bailing out the insurance companies for losses that they are suffering on exchange-based policies. In theory, these payments, officially known as "cost-sharing reduction (CSR) subsidies," encourage insurers to reduce deductibles and other out-of-pocket costs for low-income Americans who buy insurance through the exchanges. However, most Republicans regard them as a form of corporate welfare, a bailout that bribes insurers to continue offering plans that make no actuarial sense.

Further complicating matters, the federal courts have ruled these subsidies unconstitutional. President Trump has been paying out the subsidies one month at a time without congressional authorization, and now he is threatening to stop doing so. Democrats and the insurance industry warn that this will cause another spike in premiums. But others suggest that premiums are already set for the short-term, meaning that there will be plenty of time to find alternatives.

The Trump administration is also threatening to end a highly questionable Obamacare exemption for Congress and its staff. The ACA kicked Congress and congressional staff off their traditional plan, the Federal Employee Health Benefits Program (FEHBP), and required that they purchase insurance through an Obamacare exchange. That change would have meant that they also lost the employer (i.e. taxpayer) contribution toward their insurance, as much as \$12,000 per person. But

President Obama waved this provision, allowing Congress to buy insurance through the Washington, D.C., SHOP exchange, intended for small businesses. He thus gave Congress a way to keep having taxpayers pay for the lion's share of its insurance. That it was illegal, since both federal and D.C. law expressly prohibit any employer with more than 50 employees from participating in the SHOP Exchange, seems not to have mattered back then. And so far, it hasn't mattered to the Trump administration either. That could change.

The Trump administration must also decide how it will handle the next open-enrollment period, which begins November 1. The Obama administration plowed millions into advertising and outreach aimed at persuading young and healthy people to sign up for the program. Obamacare depends on these people to buy overpriced plans that they don't need in order to subsidize older and sicker people. Those efforts have been largely unsuccessful, but the fear is that if the Trump administration chooses not to continue them, even fewer young, healthy people will sign up. And, the Trump administration could go even further and dramatically reduce enforcement of the unpopular individual mandate.

Beyond presidential decision-making, there is still the question of what Congress should do. A bipartisan deal is virtually impossible given how far to the left Democrats have moved on the issue. Single-payer seems to be the Democrats' answer of choice these days. And despite public rhetoric about wanting to work with Republicans, they appear unwilling to compromise on any part of an Obamacare fix. Speaking on Fox News Sunday last weekend, House minority leader Nancy Pelosi could not think of one single concession Democrats could make as part of a health-care compromise.

Meanwhile, President Trump is tweeting that Republicans should try repeal-and-replace again, or let Obamacare fail, or ... something. Congress itself seems to be split three ways: Some Republicans, such as Senator Bill Cassidy of Louisiana, who has his own plan, seem anxious to try again. Others, such as Wisconsin senator Ron Johnson, are talking about returning to the regular order, holding hearings, and putting health care through the normal legislative process. Still others want absolutely nothing to do with health care ever again. After all, tax reform is on the horizon, and cutting taxes might actually be an issue that unites Republicans.

Unfortunately for this latter group, life is generally something that happens while we're making other plans. One way or another, the health-care fight is far from over.

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