



Senate health care bill already in peril as criticism comes from right and left

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Criticism of a newly unveiled Senate Republican plan to dismantle the Affordable Care Act poured in from the right and the left Thursday, leaving the bill's passage in peril as lawmakers scramble to ease the concerns of a fractured GOP before an expected vote next week.

Though Republican leaders hope to hand President Donald Trump a victory by making good on a seven-year pledge to repeal Obamacare, the draft measure unveiled after weeks of closed-door negotiations was met with swift opposition from conservatives, including Texas Sen. Ted Cruz.

Cruz is one of four conservative Republicans — including Kentucky Sen. Rand Paul, Wisconsin Sen. Ron Johnson and Utah Sen. Mike Lee — who quickly announced opposition to the draft measure, saying it fails to repeal Obamacare and sufficiently lower health care premiums.

"My biggest concern is that under this current draft, premiums would continue to rise. And if premiums continue to rise after we hold a press conference claiming to repeal Obamacare, that's a disaster," Cruz said on Thursday.

Without their support, the measure — dubbed the Better Care Reconciliation Act of 2017 — is effectively dead as Republicans have just 52 seats and need 50 votes for passage, assuming Vice President Mike Pence breaks the tie.

[Ted Cruz's opposition to Senate health care bill will test whether he's a deal maker or still just an agitator](#)

Republican leaders, including Senate Majority Leader Mitch McConnell and Texas Sen. John Cornyn, have just days to coalesce support behind the measure if they hope to hold a vote before the Fourth of July recess.

"Republicans believe we have a responsibility to act — and we are. For our constituents. For our states. For our country," McConnell said on Thursday, warning on the Senate floor that, without action, premiums under Obamacare will continue to rise for many Americans.

Cornyn, the No. 2 Republican whose job it is to wrangle votes, described the draft released Thursday as a "best guess about where the Republican conference is." He indicated it will be revised over the next week to reflect some of his GOP colleagues' concerns.

"We won't be finished until we vote on it," he said.

Criticism from both sides

On both sides, the criticism echoed what lawmakers and health advocates said about the House-passed American Health Care Act, with some warning the measure will lead to millions losing or forgoing health insurance because of rising premiums and steep Medicaid reductions, and others saying it doesn't go far enough in repealing Obamacare.

Democrats, who have long called for Republicans to fix but not repeal the bill, lambasted the draft as heartless. Former President Barack Obama even weighed in on Facebook.

"The Senate bill, unveiled today, is not a health care bill. It's a massive transfer of wealth from middle-class and poor families to the richest people in America," he said. "Simply put, if there's a chance you might get sick, get old, or start a family — this bill will do you harm."

The 142-page draft measure would make steep reductions to Medicaid spending, like the House bill; effectively repeal the individual and employer mandates; allow people to remain on their parents' insurance until age 26; give states the ability to redefine what benefits insurers must offer, such as maternity care; and scuttle many Obamacare taxes.

As Senate vote on Obamacare overhaul looms, Republicans defend closed-door process

It would block federal funds to Planned Parenthood for one year, a provision opposed by some moderates that could be nixed due to Senate parliamentary rules, and would offer tax subsidies based age, income and geography — a change from the House bill that based credits on age alone.

The Senate measure would also allow insurers to charge older Americans as much as five times more than the young, an increase from Obamacare's 3-1 ratio.

Neediest Texans could lose billions in Medicaid coverage under Trump budget, Obamacare overhaul

And it maintains the Obamacare provisions prohibiting insurers from rejecting people for coverage — called guaranteed issue — and charging the sick more than the healthy.

Paradoxes in the bill

Those elements are welcome news to Democrats and moderate Republicans who want to keep pre-existing condition protections, but they are loathed by conservatives who say they're the primary drivers of health care costs.

Devon Herrick, senior fellow at the conservative National Center for Policy Analysis in Dallas, is among those who pointed out the paradox of doing away with the individual mandate while keeping guaranteed issue.

“The trouble with that is, if there’s no mandate but you still require insurers to cover all who apply at community rated rates, why not just wait until you’re sick to enroll?” he said.

Senate Republicans are reportedly exploring ways with the Senate parliamentarian to force people to maintain continuous coverage to avoid that problem, Bloomberg reported. The House bill would have allowed insurers to levy a surcharge on people who went without coverage for more than 60 days.

John Goodman, a conservative health policy expert who leads the Dallas-based Goodman Institute for Public Policy Research, had similar concerns. He expects premiums will rise as the legislation allows employers to send their sickest enrollees to the individual market and prohibits insurers from charging people with pre-existing conditions more than the healthy. That, he said, will effectively raise the premiums for everyone.

“Unless you’re getting a huge subsidy, everybody in the individual market can expect premiums to go up and networks to get narrower,” he said.

But Louisiana Sen. Bill Cassidy, a Republican with whom Goodman has worked on separate health care proposals, was more optimistic, arguing that \$50 billion in so-called stabilization funds over the next four years will ease that burden.

Cassidy said it’s too soon to say whether he’ll support the legislation.

More out-of-pocket cost

Elizabeth Carpenter, a senior vice president with the health consulting firm Avalere, said consumers could pay more out of pocket under the GOP proposal, because the legislation is “likely to incentivize more plans that have a higher deductible and higher cost sharing.”

Michael Cannon, director of health policy studies with the libertarian Cato Institute, said the Senate bill would expand Obamacare in some ways, such as funding the ACA’s cost sharing reduction subsidies through 2019.

Those dollars, paid to insurers to help reduce health care costs for some of the country’s poorest, were challenged by Republicans under the Obama administration.

But Cannon is most peeved that the Senate bill offers a slower phase-out of Medicaid expansion than the House bill. Cannon said lawmakers are merely kicking the can down the road by phasing out the enhanced federal money for the expansion by 2024.

Medicaid, which provides health insurance for low-income families, seniors and the disabled, has proved the toughest issue for senators to navigate as many Republicans represent states that chose the expansion under Obamacare. Texas did not.

“They claim to be ending Medicaid expansion and on paper it would, but not until after three congresses,” Cannon said, adding: “Do you really think those three congresses would let that repeal take effect? No way.”