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FEDERAL HEALTH CARE REFORM:

CURRENT OPPORTUNITIES AND CHALLENGES TO CARE

Robert Greenwald, Professor of Law and Faculty Director
Center for Health Law and Policy Innovation
Harvard Law School

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THE BIG THREATS

- **Revisiting repeal and replace**

Will Congress and the Trump Administration continue efforts to repeal the ACA?

- **Marketplace Stability**

Given current Congressional and Administration policy priorities what is the likely future of the ACA Marketplaces?

- **Medicaid & 1115 Waivers**

What is the future outlook for the Medicaid program?

1. REPEAL AND REPLACE...AGAIN?



- Repeal efforts ended with the ACA largely intact.
- Republican Leadership seems reluctant to revisit ACA repeal in advance of the midterm elections, but plan in Congress could change at any time.
- President Trump and some members of Congress still talk about Graham Cassidy repeal and there is a case (Texas v. Azar) which is challenging the constitutionality of the ACA in light of repeal of individual mandate.
- For now, smaller, piecemeal repeal efforts will likely be the strategy for Congress and the Administration.

2. EFFORTS TO UNDERMINE ACA PRIVATE INSURANCE MARKETPLACES?

- Despite ACA opponents' efforts – repealing the individual mandate, eliminating cost-sharing-reduction subsidies, gutting open enrollment time and outreach –2018 Marketplace enrollment was strong.
- Yet “death by 1000 cuts” inflicted by Congress and the Trump Administration is still a potent threat.
 - Final changes to Essential Health Benefits and other Marketplaces rules expected soon.
 - Administration creating paths to plans that do not have to follow ACA's rules: short-term health plans, association health plans.
 - New rules based on employers' religious or moral objections could lead to treatment access restrictions.
 - Changes to the ACA non-discrimination provision expected soon.



3. MEDICAID ATTACKS AND 1115 WAIVERS?



- ACA repeal efforts went beyond just trying to eliminate the Medicaid expansion and sought to redefine Medicaid from an entitlement to a block grant, with significant cuts in funding – this effort failed.
- Yet, Administration action under Section 1115 of the Medicaid Act may redefine the program in ways that severely undermine access to care.
- Trump Administration has approved and is considering proposals rejected by previous Administrations, including:
 - Work requirements as a condition of Medicaid eligibility
 - Premiums, co-payments, and cost-sharing above statutory limits
 - Time limits on coverage, lockout periods
 - Drug screening
 - Closed formulary

WILL MEDICAID WAIVERS REDEFINE THE MEDICAID PROGRAM?

State	Work Requirements	Lockouts	Eligibility Time Limits	Premiums	Copayments	Drug Testing	Partial Expansion	Closed Formulary
Arizona	X		X					
Arkansas	X	X					X*	
Indiana	X	X		X				
Kansas	X	X	X					
Kentucky	X	X		X	X			
Maine	X	X		X	X			
Massachusetts							X	X
Mississippi	X							
New Hampshire	X							
Utah	X	X	X		X			
Wisconsin	X	X	X			X		
<u>At state level</u>								
Ohio	X							
Alabama	X							
*CMS did not approve Arkansas's proposal to reduce their expansion eligibility to 100% FPL.								
X = APPROVED								

IMPACT OF THE SHIFT FROM FEDERAL TO STATE AUTHORITY

- Congress and the Trump Administration favor a shift away from federal oversight of health care and a delegation of authority to state policymakers
 - States already having increasing control over determining network adequacy, essential health benefits, non-discrimination enforcement
- Unfortunately, this means a return to a more fractured system with heightened regional disparities
- Silver lining: with more discretion, states have unique opportunities to enact innovative policies and reforms



LOOKING FORWARD

- We have the blueprint for success: chronic illness and disability community credited for playing an instrumental role in defeating ACA repeal with unified opposition.
- Midterm elections are imminent, health care is certain to be on voters' minds, and there is the potential for a big shift in political power.
- Advocates need to continue to work at the federal level to promote bi-partisan reforms that meet the triple aim.
- Advocates have opportunities to push forward innovative reforms at the state level with more power in hands of state policymakers.



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122 Boylston Street • Jamaica Plain, MA 02130

Connect with us online

chlpi@law.harvard.edu •  www.chlpi.org • Facebook & twitter @HarvardCHLPI

