

FEDERAL HEALTH CARE REFORM:

CURRENT OPPORTUNITIES AND CHALLENGES TO CARE

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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?



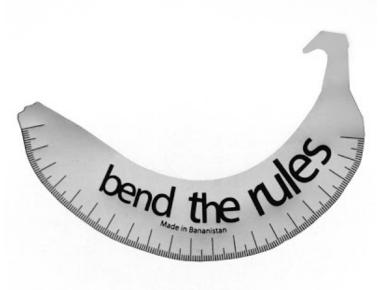
- Repeal efforts ended with the ACA <u>largely</u> intact.
- Republican Leadership seems reluctant to revisit ACA repeal in advance of the midterm elections, but plan in Congress could change at any time.
- President Trump and some members of Congress still talk about Graham Cassidy repeal and there 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?

	Work		Eligibility Time			Drug	Partial	Closed
<u>State</u>	Requirements		Limits		Copayments		Expansion	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			Χ		
At state level								
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, nondiscrimination 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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