

REPEAL & REPLACE ACTIVITY REPORT **FOR THE WEEK OF JANUARY 20TH, 2017**

ACA Repeal and Delay

HHS nominee Price not always in alignment with Trump and Ryan’s ideas on ACA replacement¹

On Wednesday, Jan. 18th, Rep. Tom Price (R-Ga) faced a hearing held by the Senate Health, Education, Labor and Pensions Committee. During the hearing, Price was asked about his plan to replace the ACA and stated “it is absolutely imperative” for the government to ensure that all Americans “have the opportunity to gain access” to insurance coverage — a more modest goal than the “insurance for everybody” declaration that the incoming president made this past weekend. Trump has expressed the replacement plan is nearly finished, however Price said that the plan would be ready by March but did not elaborate. And Price expressed views that go beyond those articulated by the president he would serve if confirmed, such as requiring some “able-bodied” Medicaid recipients to work as a condition of their benefits and not guaranteeing that young adults can stay on their parents’ health plans until age 26. Trump has pledged not to cut Medicaid or Medicare, but Price did not do the same. After Warren asked whether he had authored budget resolutions that would have cut the Medicaid program by \$1 trillion over 10 years, he replied, “You have the numbers before you.”

California’s community clinics worry about future after ACA repeal^{2,3,4}

Community clinics are key providers of primary care services, especially for low income populations. More than half of patients who signed up for Medi-Cal after the advent of the ACA have gotten their primary care at community clinics, according to a December 2015 [report](#) by the California Health Care Foundation. With the ACA at risk of being scrapped, Community clinic leaders say they’re focusing on several [funding challenges](#). One of the main concerns is a potential rollback of the ACA’s Medicaid expansion program, which extended new coverage to about 20 million people in the U.S., including about 5 million in California. Accompanied by this concern is the potential of the Medicaid funding shifting towards a block grant system, an idea Senator Tom Price failed to deny in his confirmation hearing for the position of DHHS Secretary in front of the Senate committee on Health, Education, Labor, and Pensions (HELP). In light of

¹ https://www.washingtonpost.com/news/powerpost/wp/2017/01/18/facing-the-senate-wednesday-hhs-nominee-price-will-defend-gops-health-care-overhaul/?utm_term=.ed6c8f47ba9d

² <http://californiahealthline.org/news/californias-community-clinics-big-aca-beneficiaries-worry-about-their-future/>

³ <http://www.chcf.org/publications/2015/12/medical-winwin-surgings-enrollment>

⁴ <http://khn.org/news/millions-could-lose-medicaid-coverage-under-trump-plan/>

these potential funding chances, healthcare advocates have advised community clinics that they may need to “look at 2009 (funding) levels” in order to plan for post-ACA operations. With many of these clinics serving Medicaid beneficiaries that weren’t eligible for benefits in 2009, provision of care could take a significant hit.

California not pursuing waiver request from HHS to provide coverage to undocumented immigrants⁵

California may not to pursue a 1332 waiver that would allow undocumented immigrants in the state to purchase unsubsidized health insurance through Covered California, according to California State Sen. Ricardo Lara. As of Tuesday, CMS had only taken a small step towards approving the waiver, which would leave the final decision up to the incoming Trump administration.

Surveys find that Trump voters say ACA repeal is a top priority; majority of Americans think government should ensure health coverage for all^{6,7,8}

A poll run by POLITICO and the Harvard T.H. Chan School of Public Health found that a large majority (85%) of respondents who voted for Trump say that repeal of the ACA is a top priority. By comparison, only 44 percent of the general public put repeal as a top priority. Another poll from the Pew Research Center found that 60 percent of Americans believe it is the government’s responsibility to ensure that everyone has health insurance. This is an increase from 51 percent in 2016.

Medicaid

GOP governors who turned down Medicaid expansion funds now asking for funding under ACA replacement^{9,10}

Nineteen Republican governors did not implement the Medicaid expansion. In the three years since the ACA went into effect, Medicaid enrollment has grown by about 18 million people, to roughly 75 million, according to the CMS. Republican governors that did not expand Medicaid will be asking for a block grant formula not dependent on how many Medicaid enrollees states

⁵ <http://www.politico.com/tipsheets/politico-pulse/2017/01/tom-prices-divisive-hearing-sets-stage-for-brutal-senate-finance-battle-218298>

⁶ <http://www.politico.com/tipsheets/politico-pulse/2017/01/dems-ramp-up-attack-on-tom-price-after-new-ethical-questions-218259>

⁷ <http://www.politico.com/f/?id=00000159-a7dc-dfd8-a5f9-f7df4f460001>

⁸ <http://www.pewresearch.org/fact-tank/2017/01/13/more-americans-say-government-should-ensure-health-care-coverage/>

⁹ <http://www.nytimes.com/aponline/2017/01/19/business/ap-us-health-care-gop-governors.html>

¹⁰ <http://www.detroitnews.com/story/news/politics/2017/01/18/snyder-vouching-medicare-expansion-plan-dc/96732746/>

gained through the Medicaid expansion. Republican governors and lieutenant governors plan to plead their cases with GOP leaders and the Senate Finance Committee on Thursday, Jan. 19th, as the GOP majority has taken the first step to dismantling the law.

Commonwealth Fund report: Medicaid's Future: What Might ACA Repeal Mean?¹¹

In 2016 Medicaid, the country's health safety net, insured around 70 million individuals. As previously indicated the proposed changes to Medicaid in the new Administration could include the repeal of Medicaid's eligibility expansion for adults and children among other changes, and introduce new components such as eligibility requirements tied to work or premium contributions. These changes have profound impacts on the population the program is intended to support. The Trump Administration, through Section 1115, can profoundly change the structure of Medicaid with new eligibility requirements linking services to work, certain behaviors- like diet and exercise plans- and premium contribution. Section 1115 may also allow states to test strategies in limiting access to coverage that could be used if a block grant was enacted. However, Section 1115 doesn't give states the authority to change Medicaid programs that aren't permitted under federal law, but it does permit research of testable designs for the measurement of program impacts etc. Section 1115 can only be used to further Medicaid's objectives, as in insuring eligible individuals. Therefore, going beyond the powers of Section 1115, such as restricting eligibility, could present significant judicial challenges depending on the Administration's course of action.

Medicare

Allowing Medicare to negotiate drug prices is a popular solution to healthcare costs. But it may not work¹²

This Wednesday, President-elect Trump endorsed allowing Medicare to negotiate prices directly with drug manufacturers to curb the rising drug prices. During this press conference, Trump calls for the creation of "new bidding procedures for the drug industry" and projected savings of "billions of dollars over a period of time." However, experts are uncertain about the effectiveness of this plan. Experts noted the bidding process of the Veterans Affairs over drug pricing and the influence of Big Pharma lobbying groups as a main barrier to successful change.

Republicans not sure about Trump's call for drug "bidding"¹³

In response to President-elect Trump's endorsement for Medicare to begin negotiating drug prices with drug manufacturers, GOP lawmakers are currently dismissive over these claims. According to House Appropriations subcommittee chairman, Representative Charles Dent (R-

¹¹ <http://www.commonwealthfund.org/publications/issue-briefs/2017/jan/medicaids-future-aca-repeal>

¹² <http://www.latimes.com/business/hiltzik/la-fi-hiltzik-medicare-negotiate-20170111-story.html>

¹³ <http://www.rollcall.com/news/policy/republicans-not-sure-trumps-call-drug-bidding>

PA) “moving beyond the current policy risks turning it into the VA’s system” which goes against the Republicans’ plan. In fact, an amendment introduced by Senator Ron Wyden to “bring down drug prices as promised by the President-elect” was rejected by Senate Republicans by a 47-51 vote. However, some Republican leaders were supportive of an amendment to begin importing drugs from Canada but there were enough Democrats to vote against that this amendment also failed with a 46-52 vote.

Tom Price, nominee to lead HHS, sidesteps questions on Medicare drug-pricing negotiations¹⁴

In a courtesy hearing on his nomination, Congressman Tom Price did not offer details on his support for President-elect Trump’s proposal to allow Medicare to negotiate drug pricing. In fact, he only offer a potential to consider the proposal. Additional questions from Democratic lawmakers pressed on Price’s proposal to potentially reopen the donut hole and consequences of repealing the ACA. Lastly, Price faced questions regarding his conflicts of interest given his large shares of stock in pharmaceutical companies. As of now, we are still awaiting Price’s overall health care plan and continues to be in conflict with the campaign promises made by President-elect Trump.

¹⁴ <https://www.statnews.com/2017/01/18/tom-price-drug-prices/>