

AFFORDABLE CARE ACT – WHERE ARE WE NOW?

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POST-(ELECTION)-MORTEM

“Nothing but the dead and dying...”

Simon & Garfunkel's “My Little Town”

In my little town
I grew up believing
God keeps His eye on us all
And He used to lean upon me
As I pledged allegiance to the wall
Lord I recall my little town

Coming home after school
Flying my bike past the gates
Of the factories
My mom doing the laundry
Hanging our shirts
In the dirty breeze

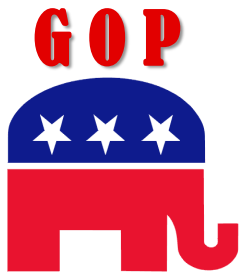


And after it rains
There's a rainbow
And all of the colors are black
It's not that the colors aren't there
It's just imagination they lack
Everything's the same
Back in my little town

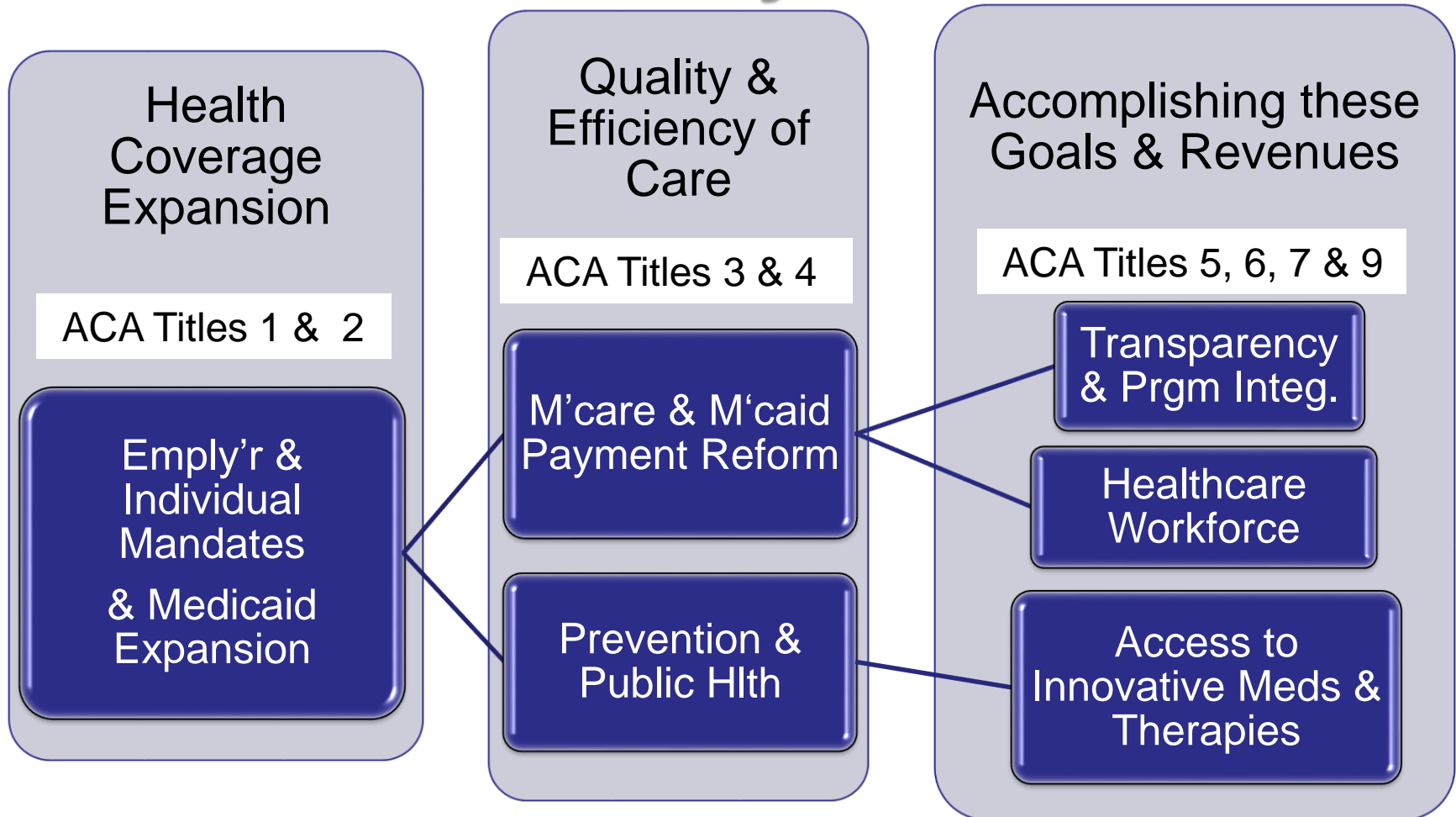
In my little town
I never meant nothin'
I was just my father's son
Saving my money
Dreaming of glory
Twitching like a finger
On the trigger of a gun

Leaving nothing but the dead & dying
Back in my little town

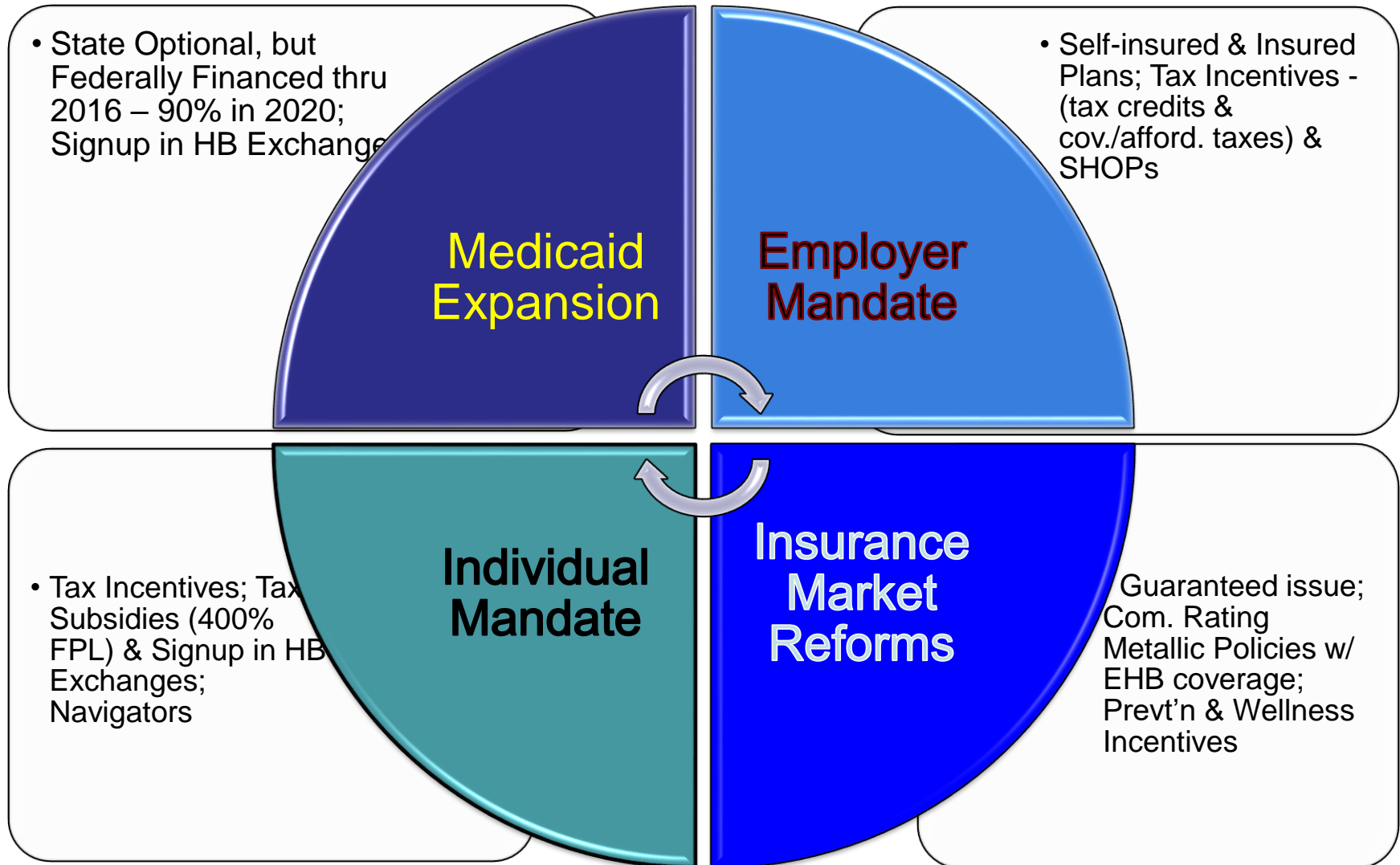
RARING TO GO: “BACK TO THE FUTURE”!



ACA Policy: Quality, Affordable Healthcare for Everyone

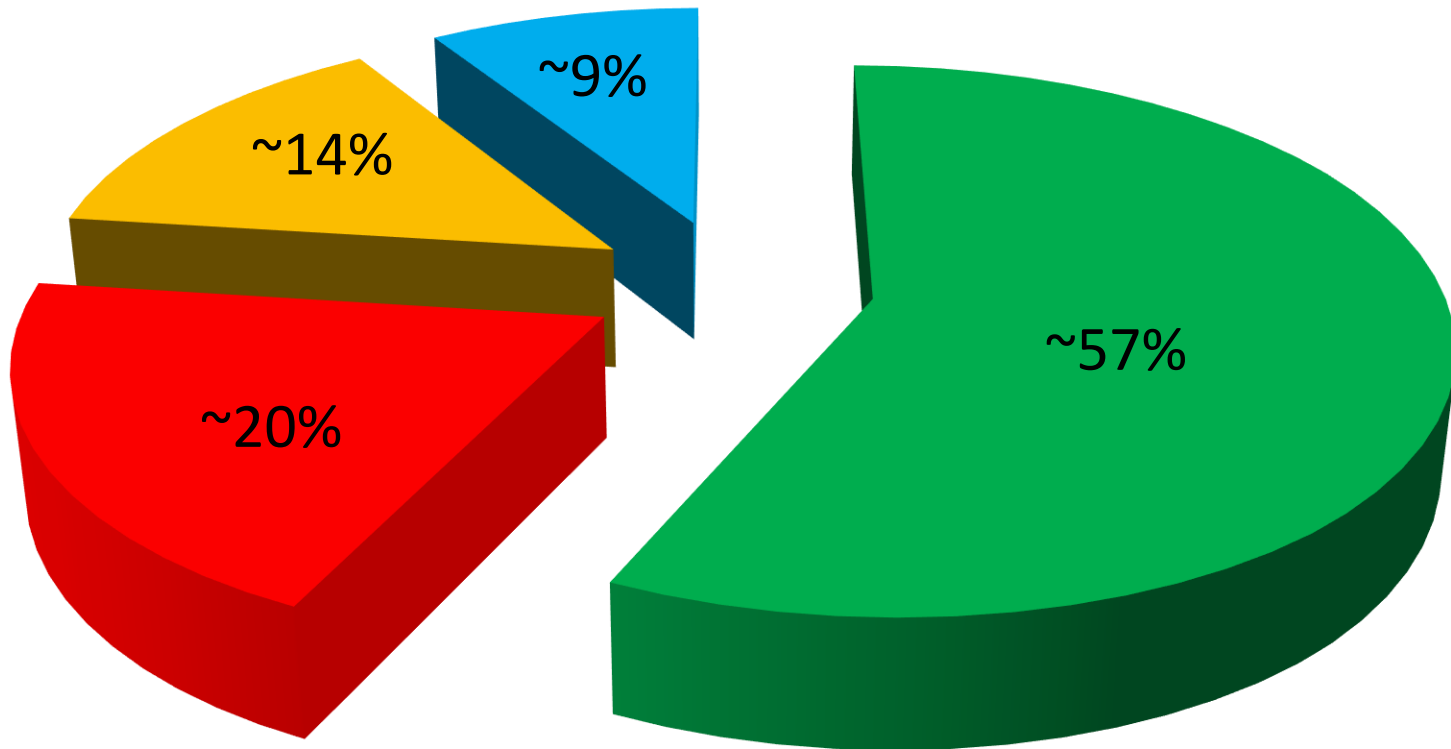


Expanded Healthcare Coverage



CBO's Health Coverage Projections 2011

■ Emp'r Plans ■ Uninsured ■ Medicaid/CHIP ■ Non-group/oth



Note: Figures are for non-Medicare pop. & incl. unauthorized persons;
Due to rounding and estimations, figures may not sum to 100%

CBO's Health Coverage Projections 2016

■ Emp'r Plans

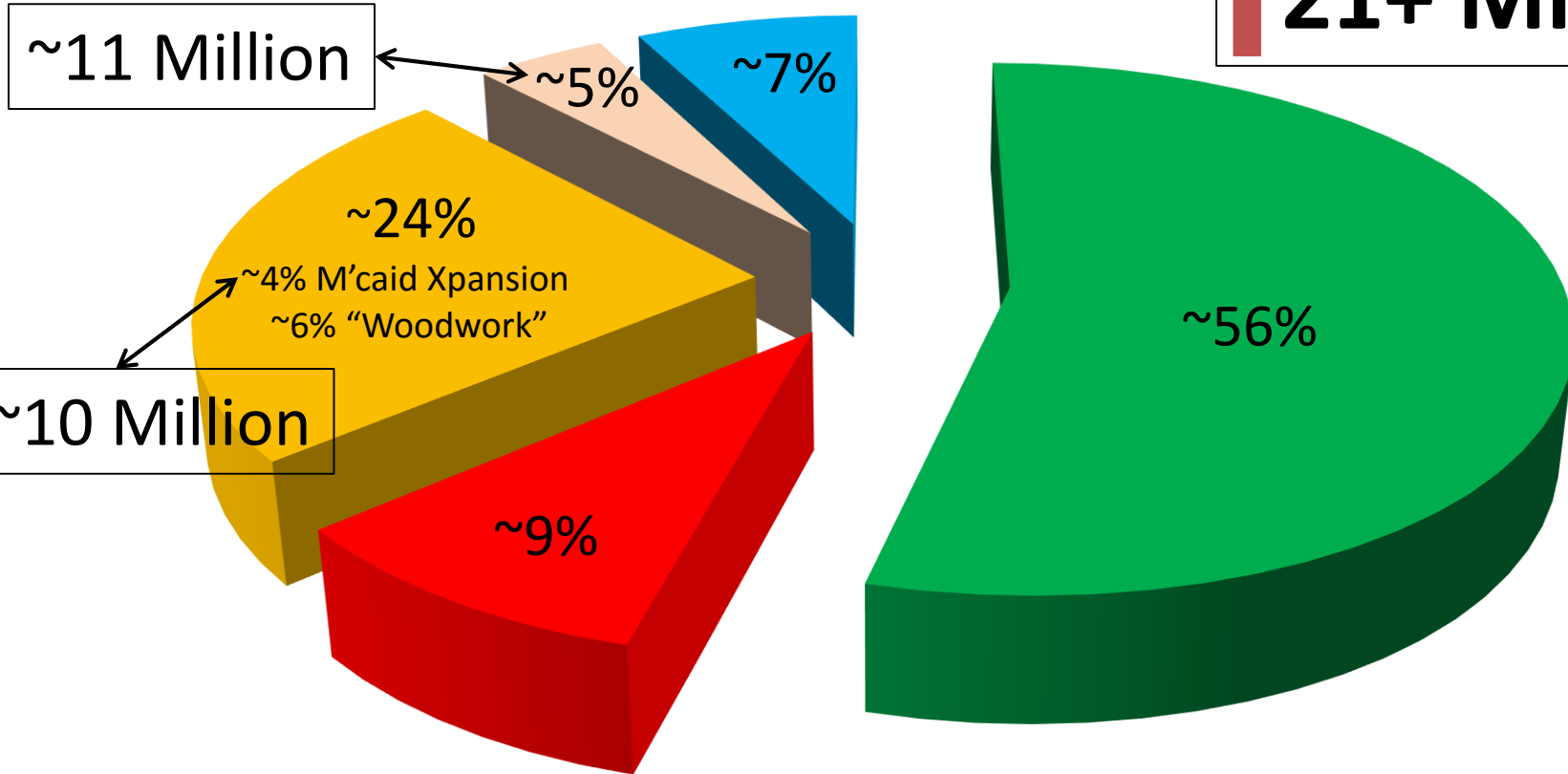
■ Uninsured

■ Medicaid/CHIP

■ FFM/SBMs/BHB

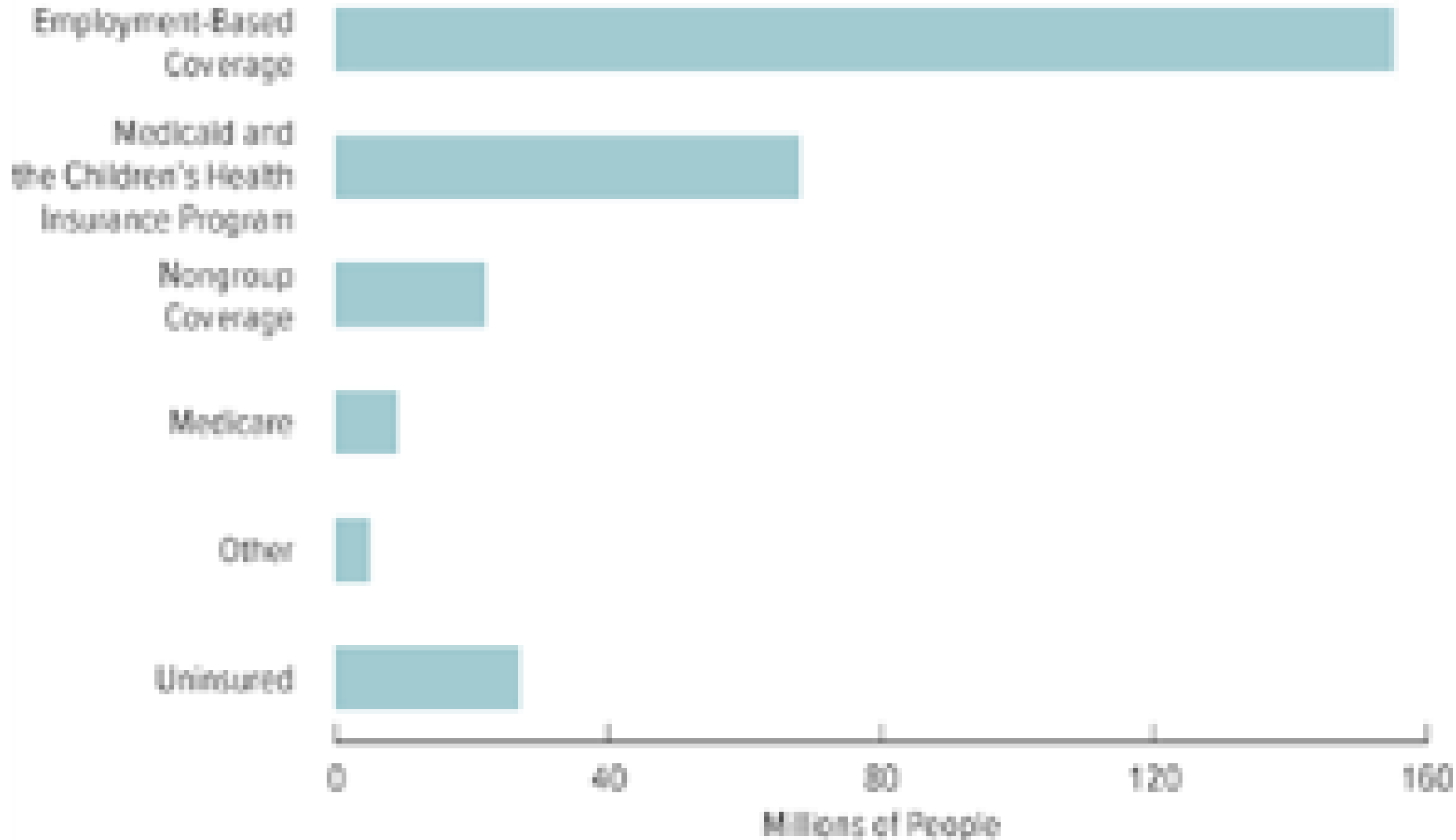
■ Non-group/non-HIX/Oth

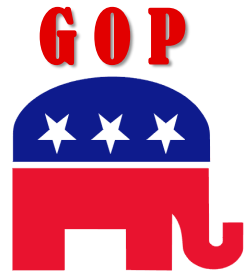
↑ 21+ Million



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Health Insurance Coverage in 2016 for People Under Age 65



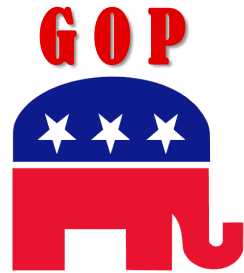


PROPOSALS



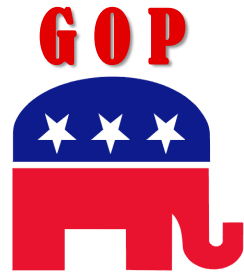
➤ “The Donald’s” 7-Point Plan

- Repeal Obamacare “completely”
- Insurance across state lines
- Tax deductions for individuals, not just businesses for insurance; ensure “no one slips through the cracks,” but “review basic options for Medicaid”
- HSAs
- Provider transparency so patients can “shop”
- Block grant Medicaid
- Remove pharmaceutical market barriers to increase drug competition; allow imported drugs
 - Suggested Medicare negotiate Rx prices



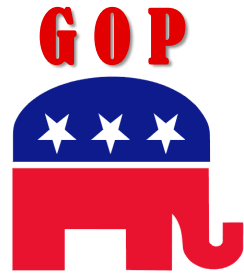
PROPOSALS

- **GOP 2016 Party Platform**
 - Medicare premium support
 - Medicaid block grant; applauds GOP-state Medicaid plans
- **GOP House's 2016 White Paper**
 - Repeal Obamacare
 - Universal advanceable, refundable tax credit – *age*-adjusted only
 - **Cap employer-sponsored coverage tax deductibility**
 - Insurance across state lines
 - Small group plan pooling - association health plans
 - Preserve employee wellness programs & protect employer self-insurance flexibility (via stop loss insurance)
 - Medical liability reform (damage caps & favorable view on other types of reforms including clinical practice guidelines)
 - Review antitrust exemptions in insurer markets



PROPOSALS

- **GOP House's 2016 White Paper (cont'd)**
 - **Keep pre-existing condition protections, but qualify it w/ maintenance of continuous coverage**
 - **Stay on parents' plan up to age 26**
 - **Keep insurer rescission protections**
 - **Broaden age-rating bands from 3:1 to 5:1**
 - **Reinstate high risk pools**
 - **One-time open enrollment w/ guaranteed issue**
 - **"Conscience protections" of providers & no funding for plans permitting abortions**



PROPOSALS

➤ GOP House's 2016 White Paper (cont'd)

➤ Medicaid fixed *per capita* allotment or block grant

- Permit states flexibility w/ M'caid populations via "enforceable" premiums or limiting benefits

➤ Medicare – Toward premium support

- Repeal IPAB, CMMI, ban on physician-owned hospitals
- Medicare VBID flexibility in MA plans & benefit redesign for fee-for-service
 - Unified deductible for Medicare A & B by 2020
- Repeal cuts to DSH, create new unified UCC program
- Raise eligibility age to match Social Security's

**WHAT ABOUT POLITICAL
MANEUVERS – THE “FILIBUSTER”?**

**WHAT ABOUT TRUMP BEING A
“POPULIST” & SOME SAY:
“NOT A TRUE ‘CONSERVATIVE’”?**

“RECONCILIATION”

H.R.3762 - To provide for reconciliation pursuant to section 2002 of the concurrent resolution on the budget for fiscal year 2016 – **Vetoed Jan. 2016**

- **Individual & employer mandates repealed**
- **APTCs repealed after 12/31/17**
- **DSH increased**
- **Planned Parenthood cut**
- **Medicaid match for childless adults stop after 2017**
- **No link required for exchanges to Medicaid after 2017**
- **Numerous tax repeals & reductions on HSA taxes for distributions**

WHAT IF:

'OBAMACARE' EXCHANGES REPEALED?

2017 QHP insurer agreements “acknowledge that (qualified health plan issuer) has developed its products for the [federal Exchange] based on the assumption that APTCs and CSRPs will be available to qualifying Enrollees. ***In the event that this assumption ceases to be valid during the term of this Agreement, CMS acknowledges that Issuer could have cause to terminate this Agreement subject to applicable state and federal law.”***

~11 Million Health Policies Cancelled?

- **H.R. Res. 5 – 115th Cong. – Jan. 3, 2017 (no budgetary projections any ACA repeal/reform legislation)**
- **CBO coverage impact projections on bill similar to H.R. 3762 (from 2016) – 1/17/2017**
 - **18M uninsured Y1**
 - **32M uninsured Y10**

What's Been Happening Since Inauguration (1/20/2017)?

➤ **Trump's Executive Order – 1/20/2017:**

“exercise all authority and discretion . . . to waive, defer, grant exemptions from, or delay . . . any provision or requirement of the A[CA] . . . that would impose a fiscal burden on any State or a cost, fee, tax, penalty, or regulatory burden on individuals, . . . healthcare providers, health insurers, patients, recipients of healthcare services,[etc.]. . . ; provide greater flexibility to States . . . ; and encourage . . . a free and open market in . . . the offering of healthcare services and health insurance, with the goal of achieving . . . maximum options for patients and consumers.”

CASSIDY/COLLINS

➤ State options

- **1st – Keep Obamacare if state chooses (@ 95%)**
- **2nd – Or, if state wants: repeal/replace with**
 - **95% of Obamacare \$\$'s to be used for**
 - **Beneficiary grants or advanceable, refundable tax credits**
 - **But, \$\$'s to be deposited into HSAs**
 - **Keeps ban-on-pre-existing & <26 & MH**
- **3rd – State designed health insurance market for its population's needs w/ no federal \$\$'s**

WHAT ABOUT MEDICAID?

KY's is a 'Changin' **FOR SURE**



- Kynect deconstruct
- Medicaid waiver



PREDICTIONS

for what they're
worth -



➤ **Medicaid**

➤ **Medicare**

➤ **Insurance**

➤ **Care Delivery**

➤ **M & As**



QUESTIONS?