Obamacare Replacement Plans Start To Emerge

A look at two proposals from senators, plus the presidential executive order about health care.

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Just twenty-five days into the 115th Congress, the Republican congressional majority has made significant steps to make good on campaign promises to repeal the Affordable Care Act (ACA, or Obamacare) and set up President Trump for swift action on his other top priorities. Republicans kicked off a policy retreat in Philadelphia Wednesday that extends through Friday evening where they hope to hash out how to repeal and replace Obamacare.

While Republicans have had the last six years, and five-dozen attempts to overturn the ACA and plot a replacement, no clear consensus has risen on what to do following repeal. Adding to the uncertainty of how they might repeal and replace Obama's signature law, it is the assertion by President Trump that he will send his own plan to Congress, once his Health and Human Services (HHS) Secretary nominee, Tom Price, is confirmed. The notion of the White House sending legislation to Congress is unnerving for many lawmakers and calls into question the separation of powers. Senator Rand Paul M.D. (R-KY), who introduced The Obamacare Replacement Act (S.222) this week, said in a statement that, "Sometimes you get ideas from the White House," which underscores the atypical nature of President Trump's desired path toward repeal.

The Paul Replacement

Sen. Paul's bill has several provisions including an immediate repeal of the individual and employer mandates, the essential health benefits requirement, and other insurance mandates. Further the bill would allow unlimited deposits into Health Savings Accounts and broaden options for using those funds; allow the purchasing of insurance across state lines; and create voluntary associations for insurance pooling.

Cassidy-Collins replacement

Sens. Bill Cassidy (R-LA) and Susan Collins (R-ME) held a press conference Monday to propose three options states could consider moving forward with health care coverage. States could either keep the Affordable Care Act (ACA) but with reduced federal funding for subsidies, switch to a

different system to purchase insurance coverage, again with reduced subsidies, or go forward with an alternate plan that does not include federal assistance. The Cassidy-Collins proposal is in direct contrast to plans discussed by House and Senate leadership, which would not let the ACA continue in any form. Cassidy notes that this proposal serves as a middle-way approach that could potentially bridge Democrats' and Republicans' concerns. However, the Cassidy-Collins one-page compromise still needs legislative language.

Cassidy noted: "At some point in this process, we will need a bill that can get to 60 votes. Now you can say to a blue-state senator who is invested in supporting Obamacare, 'You can keep it, but why force it on us?'" Collins affirms, saying, "I believe most states would embrace this option, which allows states to cover the uninsured by providing a standard plan that has a high-deductible, basic pharmaceutical coverage, some preventive care and free immunizations."

The question is, what does the rest of Congress think?

Senate Minority Leader Chuck Schumer (D-NY) described the proposal as "an empty facade that would create chaos." Schumer wasn't the only Democrat that predicted insurmountable challenges in the Cassidy-Collins proposal. Democratic leadership call into question the idea of giving some states the option to dismantle the current health care law and replace it with something else or nothing at all, for that matter. Conversely, Republican leadership hasn't publicly commented much on the generality of the bill. Furthermore, Republicans have persistently supported the dismantling of the current health care law's taxes and fees.

Presidential Executive Order

As one of his first actions last Friday, Trump signed an executive order intended to minimize the economic burden of the ACA, pending its repeal. The order allows the U.S. Department of Health and Human Services (HHS) and other federal agencies to use their existing powers "to the maximum extent permitted by law" to weaken the ACA. HHS and agencies such as the IRS "were given vast discretion over key parts of the law including the individual and employer mandates," per Pro Health Care's Brianna Ehley. What this could mean is that it is possible to stop the individual mandate from being enforced.

In addition to President Trump's actions, there was a congressional hearing, at which Republican members sought to expose what they perceive to be a decrease in marketplace competition and affordability. The hearing examined the "Failures of Obamacare." There was also a hearing on the ACA Individual Mandate. The hearing on the Price Nomination for HHS Secretary was also a forum for Republican senators to air their ACA-related grievances.

As HIV advocates we remain vigilant in the changing landscape and continue to seek intelligence and influence the proposed changes to our health care systems. It is imperative that the ACA not be repealed without a replacement that protects the expanded access the law has brought. We must insure vulnerable population, including people living with or at risk for HIV, are provided the access to care they deserve.

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