



AMA Perspectives on Health Reform

Richard A. Deem
SVP, Advocacy
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Your MISSION is *Our* MISSION

AMA Historical Perspective

- 40 year journey with Council Medical Service, Council on Legislation, AMA BOT and HOD
- Individually owned, advanceable tax credits, inversely related to income
- Pre-existing condition protections require individual mandate
- \$16M Campaign for the Uninsured in 2008
- ACA better than 2009/2010 status quo

AMA objectives for improving the ACA

- Ensure that individuals currently covered do not become uninsured; take steps toward coverage and access for all Americans
- Maintain key insurance market reforms (e.g., pre-existing conditions, guaranteed issue, parental coverage for young adults)
- Stabilize and strengthen the individual insurance market
- Ensure that low/ moderate income patients are able to secure affordable and meaningful coverage
- Ensure that Medicaid, CHIP and other safety net programs are adequately funded
- Reduce regulatory burdens that detract from patient care and increase costs
- Provide greater cost transparency throughout the health care system
- Incorporate common sense medical liability reforms
- Continue the advancement of delivery reforms and new physician-led payment models

Dx: American Health Care Act

- 14 million more uninsured next year, 24 million more uninsured by 2026
- ACA repeal elements heighten affordability problems
 - Loss of subsidies, decrease actuarial value (> cost sharing/deductibles)
- \$880 billion cut in Medicaid funding
 - Sacrifice progress on opioid & mental health treatment
 - Block grant & per capita cap will not keep up with costs/demand
 - Squeeze on state budgets likely to trigger more provider cuts
- Eliminates funding for prevention
- Prohibition on Planned Parenthood contrary to freedom of practice and patient choice principles

MacArthur Amendment

- Creates three types of state waivers:
 - Age – alter ACA 3:1 ratio
 - Essential Health Benefits (linkage to annual & lifetime caps)
 - Health status underwriting (erodes pre-existing condition protections)
- Low bar for approval of state waivers
 - Automatically approved unless disapproved by HHS in 60 days
 - Must describe how waiver would lower premiums, stabilize insurance market or increase choice of plans

Immediate Need: CSRs

- CSRs: Cost-sharing reduction
- Payments to plans that lower premiums, deductibles & co-insurance
- Annual price tag: \$7-8 Billion
- Loss of CSR funding projected to result in premium increases of at least 15% for all consumers (on and off the exchange)
- Failure to pay CSRs is contract violation
- Mandatory vs. annual appropriation

What's next for health system reform?

- Agreement for House floor vote: TBD
- Major AHCA fault lines in Senate
- \$ in Continuing Resolution for CSRs?
- Decision on pending court case: House v. HHS
- ACA regulatory changes by Trump Administration
- CHIP reauthorization
- Seize regulatory relief opportunity



PATIENTS BEFORE POLITICS

The AMA reaffirmed its [vision for America's health system](#) and our belief that the patient remain at the center of all reform efforts in a [letter](#) to Congressional leaders and the administration. We are committed to working with leadership in both parties to improve health insurance coverage and health care access so that patients receive timely, high-quality care, preventive services, medications and other necessary treatments. Let's all pledge to put patients before politics.



Regulatory Issues

- Final stabilization rule
- Enforcement of individual mandate
- State Medicaid and Sec. 1332 waivers

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