AMA Perspectives on Health Reform

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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
PatientsBeforePolitics.org

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
Your MISSION is Our MISSION