

THE BROOKINGS INSTITUTION

5 on 45: On the failed 'skinny' repeal of Obamacare

July 28, 2017

CONTRIBUTORS:

ADRIANNA PITA

MOLLY REYNOLDS

Fellow – Governance Studies

(MUSIC)

PITA: You're listening to 5 on 45 from the Brookings Podcast Network, analysis and commentary from Brookings experts on today's news regarding the Trump Administration.

REYNOLDS: My name is Molly Reynolds, I'm a fellow in the Governance Studies program at the Brookings Institution. With a dramatic sequence not usually seen on the floor of the US Senate. Republicans latest efforts to repeal the Affordable Care Act failed. Three Republican senators: Susan Collins, Lisa Murkowski, and John McCain joined all 48 Democrats to oppose the third alternative proposal considered on the floor of the Senate. The measure was a narrow one and most Republican senators found themselves in the unusual position voting yes but hoping that the measure wouldn't become law. Thanks to the decisions of their three colleagues they got their wish. So where do we go from here on health care? On one hand are possible legislative moves. Democrats have been arguing for months that they are willing to work with Republicans on legislation that would stabilize the individual insurance markets. And Lamar Alexander, the Republican chair of the Senate Health Education Labor and Pensions Committee, has indicated that he plans to hold hearings on the issue. In the house, meanwhile, Politico is reporting that a group of roughly 40 members from both parties have been meeting to explore options. One key issue on the table in these sorts of efforts could be legislative action to resolve uncertainty around payments to insurers that help low and moderate income individuals purchase insurance on the individual marketplace pay for care. The second point will be a measure to help people who live in counties where no insurers are offering plans for

purchase on the marketplaces. The challenge for these and other efforts will be actually getting meaningful cooperation across the aisle. Any Republican led effort will need the support of at least eight Senate Democrats to overcome the possibility of a filibuster.

And so far this year Democrats have benefited both inside and outside the chamber from a unified front in opposition to Republican health care efforts. Republicans, meanwhile, spent the last seven years largely refusing to engage legislatively on potential fixes to Obamacare lest they be tagged with supporting a Democratic president's signature achievement. To move forward in Congress, both sides need to make changes to their strategies. For signs of how this might play out, keep an eye on potential legislation reauthorizing the Children's Health Insurance program this fall. In addition to watching what Congress does, it will also be important. Pay attention to what the Trump administration's Department of Health and Human Services does as it implements the existing law. Trump himself has repeatedly pledged to let the law fail, claiming that doing so would produce the unlikely outcome of bringing Democrats to the negotiating table. Specifically, the administration has repeatedly threatened to stop making payments to insurers under the law and it may continue to try and use those payments as leverage if Congress does not resolve the underlying uncertainty around the government's authority in this area. In November and early December, the administration oversee open enrollment period in which individuals can purchase health insurance on the individual marketplace. This effort involves outreach to potential enrollees to get them to sign up making sure that the infamous healthcare.gov web site functions well, another task the administration will have to decide how vigorously they want to pursue. In addition under provisions of both the Affordable Care Act and other laws governing Medicaid the HHS

secretary has the power to grant certain kinds of flexibility to states as they implement federal health programs.

The Trump administration may utilize this authority to pursue some of its policy goals such as allowing states to impose work requirements on Medicaid enrollees. As Congressman Trump administration will like move forward on health care, they will need to confront the basic political reality that power in Washington now rests squarely in the hands of the Republican Party for the first time since the law was enacted in 2010 potentially changing their ability to continue blaming Democrats for the law's problems. Republicans now face the combination of base voters who have been promised Obamacare repeal for seven years, constituents who have come to rely on the benefits conferred by the law, and the expectations of concrete policy achievements that come with one party control of the House, Senate and the presidency. Over the coming weeks and months we will see just how they attempt to thread this needle.

(MUSIC)

PITA: If you've been listening to 5 on 45 and like what you're hearing, please take a minute to rate and review us on iTunes. And don't forget to follow us and the rest of the Brookings Podcast Network on Twitter @Policypodcasts.