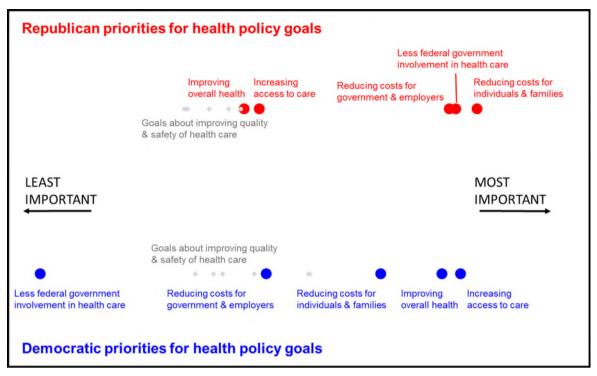
## Health care: what do Republican and Democratic legislators really want to achieve?

Republican attempts to repeal and replace the Affordable Care Act (ACA) have been center stage for much of the Trump presidency. In September 2017, the latest version, the Graham-Cassidy bill, failed to pass, kicking Republican efforts to repeal and replace the ACA to 2018 at least. Meanwhile, Congress missed the deadline for reauthorizing the Children's Healthcare Insurance Program (CHIP), and some senators are trying to develop bipartisan small-scale fixes to the ACA to stabilize the health insurance markets over the next few years, likely involving a compromise between guaranteeing federal subsidies while giving States more flexibility.<sup>1,2</sup> While Republican legislators have been vocal for years about the perceived failures of the ACA, the various bills introduced this year have not yet offered a coherent vision for repeal and replace, with different bill versions each having different implications for health care delivery. In July's vote-a-rama, several of these bills were floated all at the same time.<sup>3</sup>

So what do Republicans actually want national health policy to do? How have the repeal and replace bills addressed those goals? And what is the potential for bipartisan health reform? In early 2017, I decided to find out by asking state legislators across the US about their priorities for the goals of health policy in an anonymous survey. The mathematically aggregated results from 182 Republicans and 192 Democrats, shown in the picture below, are illuminating. <sup>4</sup>

The starkest difference was over the role of government in healthcare, with Republicans ranking this as the second highest priority and Democrats as the lowest. This was just now played out in Congress when Bernie Sanders' call for a single payer, government-run system and the Graham-Cassidy bill, which gives control to individual states and removes many of the ACA central regulations, were launched on the same day: September 13<sup>th</sup> 2017.<sup>5,6</sup>



Importance map derived from legislators' ranks of different possible goals for health policy. The main goals are highlighted – the lighter grey goals consist of a variety of goals related to the quality and safety of health care. Adapted from Pagel et al.<sup>4</sup>

The other main difference is how legislators from each party rated the trade-offs between costs and coverage.

Democrats rated improving health and access to care as more important than reducing costs, especially costs for payers. Essentially, given the choice, they preferred government to pay more to ensure access and health. This is basically what the ACA's marketplace subsidies and Medicaid expansion tried to do. However, although health insurance was now extended to many millions of lower income Americans, premiums, deductibles, co-pays, and out-of-pocket costs for many people continued to rise, even if more slowly than before.<sup>7–12</sup> Costs also rose for the federal government, due to its subsidizing of both Medicaid expansion and the new insurance exchanges, while some employers reacted by reducing the quality of insurance plans on offer to their employees or by scaling back recruitment.<sup>13</sup>

Republicans, on the other hand, rated reducing costs as the most important goal – in particular for individuals and families. Republican support for repeal and replace bills has indeed reflected these priorities. In support of repeal and replace, legislators

have been highlighting the problems of high premiums and deductibles under the ACA and citing over-regulation by the federal government. They have generally not been making the argument that any of the repeal and replace bills will lead to better health outcomes or access.<sup>14</sup> While this is perhaps understandable when looking at the Republican priorities, it also explains why Democrats have been so opposed to the Republican bills given their top priorities of improved health and access.

So why did the repeal and replace attempts falter? Obviously there was a lot of subtle and less subtle political maneuvering affecting each senator's vote, but the priorities revealed in the above picture are nonetheless enlightening. There is no doubt that the repeal and replace efforts, up to and including the Graham-Cassidy bill, meet two of the top three Republican goals, namely to reduce the role of government and to reduce the costs to both government and payers. However, the impact on costs for individuals and families is much more complicated. The Congressional Budget Office (CBO), which analyses repeal and replace bills, showed that under all of them, costs for healthy younger people would probably go down but that costs for sicker or older people would go up – often significantly.<sup>15</sup> The CBO also estimated that several million people would lose their insurance - with potentially large implications for their out-of-pocket costs should they fall ill. These likely cost increases for many people could help explain why many Republican senators have been lukewarm about the repeal and replace bills - often citing a dislike of the ACA as the primary reason for their support rather than a wholehearted embrace of the new bills.

Another result of our study was that there appeared to be three reasonably distinct groups of Republicans. One group ("conservatives," about 22% of respondents) rated smaller government as the highest (and often the only) priority. Another group ("moderates," about 30% of respondents) rated smaller government as a medium priority, less important than improving health and access and reducing costs. Remaining Republicans were somewhere in between these two groups. Attempts at repeal and replace have had to walk a delicate line between gaining the support of the conservatives, who want to reduce the role of and cost to federal government as much as possible, and that of the moderates, who worry more about the impact of deep cuts to federal programs like Medicaid. For instance, the Graham-Cassidy

effort failed to get the support of both arch-conservative Rand Paul and moderate Susan Collins.

Where next then for health reform? Given the failure of Graham-Cassidy in the Senate, bipartisan national reform becomes the most obvious next step, especially given the requirement for 60 votes in the senate from October. The different priorities highlighted by the survey do make large scale bipartisan reform challenging, but not impossible – both parties think reducing costs is very important and there are plenty of specific policy options that can address this (for instance on prescription pricing). Specific policies aimed at distinct health issues (such as the opioid crisis) could also attract bipartisan support. Additionally, reauthorizing CHIP, which has longstanding bipartisan approval, could grease the rusty wheels of bipartisanship. For me, the survey results say three things: don't be too ambitious, respect and acknowledge each other's differences in outlook, and start on initiatives to protect children and making health care more affordable.

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