



Trump Presidential Impact on Healthcare Reform & the Affordable Care Act

by John Ford, CEO Prime Care Managers

THERE WILL BE CONTINUED SIGNIFICANT NATIONAL PRESSURE TO REDUCE THE GDP SPEND DIRECTED TOWARD HEALTHCARE. This is not a new discussion and dates back to the first Bush administration. Value competencies occurring over the last six years since 2010 are just starting to develop. **The coordination efforts from CMMI, CMS's Innovation Center, built on strong congressional bi-partisan support, is projected to result in a \$40 billion reduction in spend.** The various models including ACO, CPC, Bundled Payment, etc., are critical to the success of reform; including MACRA, which was passed with strong bi-partisan support.

The question is: **With what speed will change be made, and who will drive the continuance of the 'value' initiative?** There may be a stronger use of the marketplace to provide the access to value based care, rather than the government. Coverage expansion models will be tested including a likely return to the States and their ability to refuse any Medicaid Expansion. But clearly, the move from volume to value is here to stay.

HR3762 was the only *repeal* effort that made it through Congress and to Obama's desk; which he promptly vetoed. However, in the absence of a clear defined path from President-Elect Trump, it is likely he will rely on this proposed Republican alternative as long as they meet his outlined key principles:

- 1) Reducing barriers to the interstate sale of health insurance,
- 2) Institute a full tax-deduction for insurance premium payments for individuals,
- 3) Make Health Saving Accounts inheritable,
- 4) Required price transparency,
- 5) Block-grant [Medicaid](#) to the States, and
- 6) Allow for more overseas drug providers through lowered regulatory barriers.

You will be hearing a lot about *Repeal and Replace* of Obamacare over the next few months. **Even though the reconciliation bill allows certain changes to ...**



direct spending requiring only 51 senate votes, it will take 60 votes to pull apart the ACA, and will only occur, in incremental steps after careful bipartisan consideration. The Republican party does not want to be victimized in the same manner as the Democrats. In the interim, during the lame duck period, it is likely only minimal changes will occur until the new house and senate majorities have settled in place after March 2017.

In summary, regarding value, the current path is likely a good indicator of the future. President-Elect Trump will be encouraged by both sides of Congress to consider what good has been accomplished from the ACA. He will likely encourage changes in the manner insurance options are offered, who offers them and the impact the consumer can have on healthcare by supporting tax incentives for HSAs, eliminating penalties, and fixing the actuarial cost gaps to stabilize price volatility of an exchange.



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