The ACA: In the News

On January 26, 2017, key members of the GOP met in Philadelphia for a health care summit. With a goal to establish an ACA-replacement platform by consolidating varying proposed legislative bills, the Republican leadership left the city of Brotherly Love with little actionable progress. “We are still developing what this thing is going to look like,” Senator, Jim Risch of Idaho told reporters in Philadelphia. Similarly, Kevin Brady of Texas, the Chairman of the House Ways and Means Committee, said, “We’re just working really productively right now so no timetable has been set.”

Despite the lack of immediate clarity, steps to repeal and replace the Affordable Care Act (ACA) are underway. An initial action through the budget-specific reconciliation process, requiring a simple majority vote in the Senate rather than the customary 60-vote filibuster-proof vote, has occurred. Additionally, members of both the Republican party and the anticipated cabinet have proposed seven replacement plans, including one Democratic plan.

Further, President Trump’s executive order, issued on the evening of his inauguration, gave instruction to regulatory bodies to minimize the burdens in implementing the ACA; however, this order was largely symbolic. In line with several actions by the new administration, the executive order sent a signal and set a tone. However, the process of “repealing and replacing” the ACA remains in limbo as the leadership of the Republican-led Congress, key congressional committees and the Department of HHS vet options, weigh funding considerations, collect bi-partisan buy-in and continue budgetary assessments.

Stakeholders are waiting for a pattern to emerge among the potential plans. Ultimately, this process is anticipated to include multiple legislative bills. Once the bill(s) have momentum within a feasible timeline, these efforts will require democratic support to reach the 60-vote threshold. In short, “replace” cannot occur via a one-stop sweep. While President Trump’s executive order and the recent steps in the Congress send a clear message, the debate continues as to the timeline, procedure and cost projections for a new health care law to come to fruition.

Potential Bipartisan Compromise

Democrats may choose to collaborate with Republicans for a compromise because several Democratic Senators face re-election during the mid-term elections in 2018. Given the number of anticipated competitive races: 24 Democratic seats and only 8 Republican seats up for re-election in 2018, the bipartisan compromise option will hinge on political pressure and risks facing incumbents if health insurance premiums continue to rise.

Nomination of Tom Price to Lead HHS

Representative Tom Price of Georgia has undergone extensive questioning within the Senate confirmation process to lead the Department of Health and Human Services (HHS). As of February 1, 2017, Price faced a Democratic boycott in
the Senate, triggering emergency steps by the GOP to advance his nomination. The Senate Finance Committee moved to forward Price’s nomination (as well as Treasury secretary nominee, Steven Mnuchin) to the Senate floor as Democrats boycotted necessary committee meetings. If Republican committee members, along with Republican members of the Senate remain united, Price’s nomination will be confirmed.

**Takeaways**

While significant maneuvering may occur in Washington DC before specific ACA modifications occur, Oswald will continue to evaluate how changes will affect your strategic plan, future employee communication needs, and plan costs in 2017 and beyond.