Post-election Changes in Healthcare?

With the surprising election of Donald Trump as the next U.S. President, there are many questions and uncertainty for healthcare providers. While it is not possible to predict how U.S. health policy might change, it is possible to identify some of the key issues that will affect all of us.

During his presidential campaign, Trump spoke of repealing and replacing the 2010 Affordable Care Act (ACA). A simple campaign promise however is sometimes hard to accomplish in reality. Is a complete ACA repeal possible?

Many have pointed out that multiple barriers exist to repealing and replacing the law in the short term. Outright repeal and replace would require 60 votes in the senate and will likely face a Democratic filibuster. It could take a long time to develop a replacement law. However, using the budget reconciliation process, that requires only 50 votes, may allow them to change how the current law is funded, how people are covered and how states receive money.

Regardless of the changes in funding of the reform, what appears to be true is the path away from volume-based, fee for service medicine toward value-based global payment medicine is not going away. The economic forces driving healthcare change are still very much in place. Healthcare spending remains at an unsustainable level at 18% of Gross domestic product (GDP). Providers and hospitals will all continue to experience a changing business payment model that increasingly rewards population health, value and the ability to be more patient-centered.

Instead of talking Obamacare ACA, the language in a republican controlled government will be Medicare Access and CHIP Reauthorization Act (MACRA). MACRA was a bipartisan approved bill that changes the way physicians are to be paid crating incentives to join “alternative payment models” like Accountable Care Organizations (ACOs) and Bundled Payments. This will continue to shape the business and clinical models of care for some time.

What we think may be changing in terms of funding and coverage comes from what Trump’s goals were during the campaign:

- Allowing the sale of health insurance across state lines to increase competition
- Making health insurance premiums tax deductible for individuals
- Promoting the use of health savings accounts
- Requiring price transparency from all healthcare providers to help consumers comparison shop
- Providing block grants to states for their Medicaid programs

There is little political appetite to remove coverage from the 20+ million Americans who now have health insurance. The details of supporting how they keep it will be the question.

The state of Massachusetts will remain fully funded to move toward a Medicaid ACO adding more fuel to the global payment journey. We should stay “steady as she goes” on our path toward population health and watch the funding mechanism for coverage and other changes.

While we see little change from moving to more “at risk” alternative payment models like ACOs and bundled payments, and we see the path to thinking more globally in terms of managing the health of the population, we will need to be responsive to other changes that may develop.

As always, I welcome your comments and suggestions at evan.benjamin@baystatehealth.org.