

U.S. Sen. ICYMI: Johnson: Health care back on Congress's front burner

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WASHINGTON—The Senate this week will grapple with President Donald Trump's decision to stop making subsidy payments to health insurers, with lawmakers seeking a deal that would keep the money flowing while Republicans try to fold in conservative-oriented health-care priorities.

It remains unclear whether a package could emerge that attracts support from a critical mass of senators and also from House Republicans. That could be put to the test quickly, as Sens. Lamar Alexander (R., Tenn.) and Patty Murray (D., Wash.) are expected to introduce a plan within days and Sen. Ron Johnson (R., Wis.) unveils his own, more-conservative-leaning version.

The result, driven by unexpectedly far-reaching moves by Mr. Trump on health care last week, could be a resumption or even escalation of the legislative battle that unfolded during Republicans' attempts to repeal the 2010 Affordable Care Act. It comes as insurers press some state and federal officials to let them reset their rates for 2018 in light of the halting of the subsidies, while one state, Oregon, already has told insurers to jack up rates for their most popular plans.

On Monday, Mr. Trump is meeting with Senate Majority Leader Mitch McConnell (R., Ky.) to discuss budget and tax issues, with health care also a possible topic.

Mr. Trump met Saturday with Mr. Alexander, Sen. Lindsey Graham (R., S.C.) said on CBS, and he encouraged Mr. Alexander to pursue his deal, Mr. Graham said.

The “cost-sharing reduction” payments ended last week by Mr. Trump help insurers offset subsidies to low-income Americans. Many Republicans, fearing chaos in the insurance market if the payments stop, want to extend them as long as that is accompanied by moves such as relaxing regulations on some insurance plans.

“I think Congress should pass that short-term extension” of payments, Sen. Bill Cassidy (R., La.) said Sunday on Fox. “We absolutely have to think about that family around the kitchen table, which is why we should pass them”—but only if they are packaged with provisions that he said would lead to lower premiums.

Sen. Chris Murphy (D., Conn.) said Mr. Trump’s decision to end the payments was retaliation for Republicans’ inability to repeal the ACA. “This is the equivalent of health-care arson,” Mr. Murphy said on Fox. “He is literally setting the entire health care system on fire just because he is upset that Congress won’t pass a repeal bill supported by 17% of the public.”

Some Republicans say they are less concerned with the payments themselves than the fact that the Obama and Trump administrations have been making them without an appropriation from Congress, which they say is unconstitutional.

Mr. Johnson, for his part, is working on legislation that includes additional conservative measures, such as expanding the use of health-savings accounts and delaying the enforcement of the mandate that most employers provide insurance.

Mr. Johnson said he is seeking a bill House Republicans would accept. “We can do stuff in the Senate, but if it dies in the House, we haven’t done much,” he said in an interview.

Mr. Johnson said he recognized that many Republicans are hesitant to fund the payments. But ending them could result in higher premiums for consumers and more money spent by the government, which would have to provide larger subsidies to certain consumers, he said.

“Insurance companies get paid either way,” Mr. Johnson said, and he is “trying to find that sweet spot that will fund the cost-sharing reductions” and “restrain the growth in premiums.”

Conservative House Republicans have indicated any support for continuing the

payments would depend upon significant concessions from Democrats on curbing the ACA.

If lawmakers reach a bipartisan deal on health care, it isn't clear whether it would be voted on as a standalone bill or as part of complex negotiations looming in December.

The government's current funding expires after Dec. 8, and other hot-button issues could get wrapped into the end-of-year discussions, including how to handle illegal immigrants brought to the country by their parents at a young age.

Democrats will have leverage in those talks because the spending bill, needed to avert a government shutdown, would need 60 votes to clear the Senate, where Republicans hold a 52-48 advantage.

For now, many in the health industry are reacting with alarm to the prospect of the subsidy payments ending. A diverse coalition representing health plans, doctors and businesses sent a letter to Congress Saturday asking lawmakers to "act immediately" to restore the payments.

In one example of the immediate impact of halting the payments, Oregon ordered insurers in the state who sell on the ACA's exchanges to increase premium rates for 2018 for the most popular plans by 7.1%.

While some insurers had already filed rates for higher premiums with the expectation the payments might be discontinued, insurers in more than a dozen states filed rates that didn't take into account the possibility. Some of those insurers are now saying they need to raise rates by 20% or more for next year, but the federal deadline for filing has already passed.

Before announcing late Thursday he would cut off the payments, Mr. Trump issued an executive order designed to bolster various alternative insurance arrangements, which are less regulated than traditional policies. Mr. Trump has he would continue using administrative action to try to dismantle the ACA, and Democrats are seeking ways to fight back, from litigation to legislation.

Sen. Susan Collins of Maine, a centrist Republican, said on ABC that for a deal on payments to work, "Democrats are going to need to step up to the plate and assist us."

She added, "I'm very disappointed in the president's actions this past week...But Congress needs to step in and I hope the president will take a look at what we're doing."

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