Why the World Should Pay Attention to America's Civil War Over Healthcare

The Guardian

By Tom McCarthy

June 29, 2017

For observers around the world, Tuesday's setback for Senate Republicans in their attempt to reverse Barack Obama's healthcare reforms may seem like another perplexing chapter in America's checkered history with the issue.

While Britain and other European states have succeeded in securing general access to relatively low-cost, high-quality care for citizens, the US has repeatedly failed to follow suit, causing anguish at home and bemusement abroad.

But the developments this week in the US saga are of special and urgent importance, according to policy experts, not only for those Americans who need help the most, but for Donald Trump's presidency and for the social fabric of the country, where the divide between haves and have-nots is painfully felt at every level of the healthcare system.

"In all my time in the field, which is longer than I'll tell you, I've actually never seen legislation like this," Drew Altman, president and CEO of the nonprofit Kaiser Family Foundation, said in a conference call about the Republican Senate bill that stalled on Tuesday (though a version of the bill may yet pass).

"Uniquely, it produces many more losers than winners, and that could come back to haunt Republicans in the midterms [next year] if it passes."

For patients in the US medical system, the legislative tug-of-war has extremely high stakes. The Republican bill would add 22 million people to the ranks of the uninsured over the next decade, while making both insurance and care itself more expensive, according to the nonpartisan Congressional Budget Office.

The proposed changes defy comparison to the kind of limited privatization that has happened within Britain's NHS, said Gerard Anderson, a professor of health policy at Johns Hopkins University who has compared insurance systems worldwide.

"It's a very different social fabric in the UK versus the US," Anderson said. The healthcare debate in United States, he said, exposes "a lack of social solidarity – a lack of feeling that we as a society have a responsibility to our poorest citizens".

"We just don't do that," Anderson said. "We know that we're going to cause 22 million, 23 million people to lose their health insurance – and they won't really have an alternative to

purchase it in the free market, so they're just going to lose their health insurance. And there's some feeling that that's OK."

Political pressures are helping to drive the current Republican effort, the party acknowledges, after seven years of promises by GOP politicians to repeal "Obamacare", as Obama's healthcare law is popularly known. Furthermore, Trump is under pressure to deliver his first major legislative achievement with five months of his presidency gone.

Ironically, the president may be weakened if the bill, which is deeply unpopular, advances. Only 12% of registered voters support the legislation, according to a USA Today poll released on Wednesday. Obama's healthcare law, meanwhile, broke through last month to more than 50% approval nationally for the first time ever, according to Gallup.

Passage of the legislation could produce a voter backlash and increase the chances of Democrats taking control of Congress next year, putting them in position to frustrate the president's agenda, strengthen investigations of alleged wrongdoing – and even begin proceedings that could lead, in what still remains a fantasy scenario, to the president's impeachment.

Trump himself seems to sense the hazards, signalling resignation to the potential failure of the legislation on Tuesday, even as he called for its passage.

"This will be great if we get it done," Trump said at an emergency meeting of Republican senators. "And if we don't get it done, it's just going to be something that we're not going to like. And that's OK, and I understand that very well."

A failure of the Republican effort in the Senate would likewise pose challenges for Trump, however, leaving the president without a single major legislative achievement to boast of in his first six months in office, despite his party enjoying majorities in both houses of Congress.

In addition, Republicans could face severe blowback for failing to erase Obama's healthcare law, after seven years of tireless campaigning against it and despite their majorities.

"Republicans want to get to yes," Marc Lotter, press secretary to Mike Pence, said on Tuesday. "This is something that they've been talking about for seven years. This is something that the president campaigned on, and it's a promise that we must deliver on."

Senator Susan Collins of Maine, one of the first Republicans to come out in opposition to the Trump-sponsored bill, said that the bill's failure to advance this week exposed Trump's weakness as a governmental leader.

"It has been a challenge to him to learn how to interact with Congress and how to push his agenda forward," Collins said. "This president is the first president in our history who has had neither political nor military experience."

As terrible as the legislation could be for Trump, it represents truly egregious dangers for patients in need of medical care. Experts across the political spectrum criticized the plan for not doing enough to protect seniors and society's most vulnerable, while handing a huge tax break to top earners.

In the CBO's judgment, the bill would transfer $772bn over a decade out of the Medicaid program, which devotes funds to low-income individuals and seniors.

Trump's determination to erase Obama's healthcare legacy means that even if the legislation fails, the perils for the most vulnerable patients remain. The Trump administration has signaled that it will end subsidies certain patients receive under the Obama law, and that it will cease to enforce a requirement in the law for most adults to hold insurance.

Experts say those measures could bring down the system put in place by Obama – with potentially nothing to replace it. The inadvertent result, said Anderson, could be the emergence of a single-payer system in the United States.

"It could happen," Anderson said. "There's a lot of places in the United States where there is no choice [among insurance plans], or there's a choice between only two health plans. When you have no choice in a private sector, you have a monopoly, and when you have a monopoly prices go up.

"The American public is not going to want a monopoly in their neighborhood with only one insurer, and so they're going to move toward the government."

The problem: covering all US insurance bills, based on the size of the private insurance market, would cost the government $1tn.

"That would be a $1tn tax increase," said Anderson, "which no politician, even Bernie Sanders, would advocate for."

Source: theguardian.com