Press Release

Assessing the Health Care Provisions in President Biden’s Executive Order

JACKSON HAMMOND | JULY 13, 2021

President Biden’s recent executive order on competition includes a variety of health care provisions aiming to aid consumers by modifying the market. While many of the provisions are relatively uncontroversial, such as a rule allowing for over-the-counter hearing aids, others have the potential to reshape the health care sector, writes AAF’s Health Care Policy Analyst Jackson Hammond. In particular, the order calling for standardized plans on the health insurance marketplaces has the potential to move the United States toward a public option, Hammond contends.

An excerpt:

Of all the health directives in the EO, the health insurance standardization might prove the most impactful. It’s unclear what exactly the administration means by “standardized options,” but it looks an awful lot like a move that inches toward a public option. The exchanges already have a base set of essential health benefits (EHB) that require coverage of 10 different categories, and limits on cost sharing and lifetime spending caps for services within these categories. So why the need for standardization on the national exchange? Combine this standardization with a potential push by many Democrats to offer free care through the exchanges, and you have what is essentially the public option. The standardization directive is too vague to know for certain, but it is also vague enough to be a stepping stone toward a public option.

Read the Analysis