



Politics and the Future of Federal Health Policy

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The National Business Group on Health released a study which found employees can expect their health insurance premiums to increase by at least 5 percent next year, even after employers make cost saving plan changes. As healthcare costs continue to rise, over half the employers surveyed stated that introducing high deductible plan options or fully replacing their coverage with a high deductible plan has been an effective cost-control measure. The National Business Group on Health said that while this year's increase is consistent with past years, stable increases are not necessarily a good thing.

Last week the Department of Transportation (DOT) finalized a new rule granting the Federal Transit Authority (FTA) more oversight when it comes to public transportation systems nationwide. The new rule will go into effect next month and will allow the FTA to monitor, oversee, and enforce transit safety. The rule is expected to give the FTA the tools it needs to effectively improve the safety of the nation's public transportation systems.

Eakinomics: Politics and the Future of Federal Health Policy

The fight over Obamacare has been the centerpiece of health policy debates over the past 7 years. But how does it frame the debate for the future? To get some insights into the issues, AAF recently ask OnMessage to conduct polling about key health policy issues. A brief memo summarizes the results.

The first insight is that the policy debate no longer focuses on health care, but rather on the economy (21 percent name it as the top issue) and national security (15 percent). However, Obamacare remains a contentious issue, with 51 percent of voters opposed, while 46 percent favor it. It is also highly partisan, with 85 percent of Democrats favoring it, while 89 percent of Republicans and 61 percent of independents oppose it.

The news recently has been that major insurers (United Healthcare, Aetna, Anthem) are expressing concern over the continued viability of participating in the Obamacare exchanges. This is an important issue as voters prefer private health insurance companies over the federal government when it comes to quality, affordability and coverage.

Thinking about healthcare coverage in the United States, which of the following do you believe is better at providing....		
	Private Health Insurance Companies	The Federal Government
Quality healthcare coverage	57%	26%
Affordable healthcare coverage	48%	39%
The best coverage to people with the most serious health conditions, like cancer and HIV, which require significant medical treatments	49%	34%

In each case, the topline result holds across all age groups and among Republicans and Independents;

Democrats tend to favor the federal government.

Why does this matter? Because, it turns out that they fear that if private companies leave Obamacare the federal government will step in, and it will lead to a single-payer system. In these circumstances, the failure of the federal government to follow through with payments due to private insurers under the risk corridor and reinsurance programs are viewed as endangering private companies. 79 percent believe that if private health insurance companies are playing by the rules, the government must “act as a good business partner” and hold up their end of the deal. Another 67 percent believe it is unfair to change the rules after the fact and that insurance companies should not be penalized for following the rules. In each case, the topline result holds across all age groups and among Republicans and Independents; Democrats tend to favor the federal government.

The bottom line is that the U.S. public — especially among Republicans and Independents — is committed to having private companies at the core of government programs, and believes that the federal government should be a fair, reliable partner.