

The Daily Dish

To Repeal and Beyond: The Path Forward on Health Care

CHRISTOPHER HOLT, PATRICK HEFFLINGER | NOVEMBER 10, 2016

On Tuesday a federal judge denied an injunction request made by Airbnb over a San Francisco law which forces Airbnb to only accept rental listings registered with the city. Airbnb argued the San Francisco law violates the First Amendment by regulating the content on their site, while the judged dismissed this claim, he stated Airbnb did have grounds for a different injunction since the city of San Francisco does not have a "functional verification system". The judge decided to further asses this case on November 17th.

Yesterday House Minority Leader Nancy Pelosi (D-CA) announced that she would be willing to work with President-elect Donald Trump (R) to pass an infrastructure and transportation package. According to Pelosi addressing America's deteriorating infrastructure is something that both parties can find common ground on. Through the course of his campaign Donald Trump has promised to tackle the nation's aging infrastructure and has released a plan which calls for \$1 trillion in infrastructure spending over the next decade.

Eakinomics: To Repeal and Beyond: The Path Forward on Health Care Guest Authored by Christopher Holt, Director of Health Care Policy

Tuesday night, the unexpected happened, Republicans not only held on to their congressional majorities, they took the White House. For six long years we on the right have yearned for the opportunity to undo Obamacare. But the truth was that repeal was always out of reach without control of the White House, and many (myself included) had lost hope we ever would.

But today is a new day, and congressional Republicans understand, the lack of a filibuster proof majority in the Senate is a fig leaf that will cover nothing. Obamacare must be repealed, and relatively quickly. The voters who elected this majority will accept nothing less. The real challenge is not on the repeal side though, which can be, to a degree, achieved through legislative maneuvering now that there is no veto threat looming. The big danger conservatives face is in what to do next. Republicans have been a party in opposition for eight long years, but opposing and undoing is not enough. This opportunity cannot be wasted simply by reversing the damage of the last administration. Conservatives must press forward. Our health care system was broken before President Obama doubled down on government solutions, restoring the old order will not suffice. Policymakers must unify around proposals for improving America's health care system, especially for vulnerable Americans who had few if any choices in the past. Make no mistake, that won't be easy. The differences in policy preferences among conservatives are real and legitimate. Fortunately much of the hard work has been done, policymakers can embrace the "Better Way" mapped out earlier this year by Speaker Ryan and House Republicans. While in no way a fully finished product, it is a framework that can be quickly fleshed out.

As huge a victory as repealing and replacing Obamacare would be, however, it does not address our starkest challenges. This year our deficit is projected to total \$590 billion. Left on auto pilot by 2024 our annual deficits will reach \$1 trillion and won't drop below that mark again. This unsustainable growth in deficits is primarily attributable to two things, interest on past borrowing and federal health entitlement programs. By 2026, spending on Medicare, Medicaid and Social Security will account for 40 percent of all federal spending before

interest payments, with spending on Medicare alone surpassing \$1 trillion.

Policymakers must push forward, past a cathartic and necessary repeal of the Affordable Care Act, and tackle our entitlement crisis. This won't be easy, many Americans do not believe that entitlement spending is the primary driver of our long-term deficits, and President-Elect Trump campaigned on a promise that he would not make any changes to entitlements. But when he settles into Pennsylvania Avenue he will face a budget reality that will leave no room for inaction. Reforming our entitlements will not be easy, the political ground work has not been laid, consensus has not been built. However, the majority in Congress and President-Elect Trump cannot miss this opportunity, it may be the only one.