



The Daily Dish

The Future Health Care Debate?

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The banking crisis will come and go. The debt limit trauma will arrive and depart. The battle over federal spending will close and reopen the federal government. But mark my words, on the other side of the apocalypse will be a familiar policy battle: health care cost and insurance coverage.

The leading edge of the debate has already arrived in the form of [Medicare Advantage cuts](#) and their implications for the future of Medicare. But I was reminded of the issues with the release of AAF's Center for Health and the Economy [baseline outlook](#) for insurance coverage and costs in the under-65 population. A quick summary of the findings:

- Employer-sponsored insurance (ESI) remains the most important source of coverage and will rise from 158 million to 165 million by 2033.
- The individual market includes an estimated 16 million members in 2023, with 13 million lives covered through subsidized insurance offered in the Health Insurance Marketplace; the total size of the individual market is estimated to decline throughout the budget window—sinking to 8 million in 2033.
- The rate of uninsurance will raise from 7 percent to 12 percent over the next 10 years.
- As premiums and health care costs rise, plans chosen in the individual market are expected to shift toward lower-cost options; highly subsidized enrollment in Silver plans is projected to fade as a percentage of enrollment on the individual market, while enrollment in Bronze plans will grow among both subsidized and unsubsidized consumers.
- The family glitch fix is now accounted for in the estimates and has increased the number of those insured through the individual market by approximately 1 million.

This raises several issues. The starting point is the upcoming [Medicaid redeterminations](#) to return the program to its stated rules of eligibility. Where will those who no longer qualify get their insurance? Will it be ESI, or will the beneficiaries simply be transferred from one public program (Medicaid) to another (the Affordable Care Act)?

Looking forward, the baseline foresees a shift to lower-cost plans as the cost of health care rises, and even a decline in overall individual market coverage. Perhaps it would be better if individuals were in ESI rather than in the individual market? More generally, what will be the strategy for (finally) reducing the growth rate of health care spending?

These coverage and cost issues have arisen before, especially in the context of the passage of the ACA. But they were not resolved adequately, and a genuine cost problem remains a central feature of the U.S. health care landscape. It is important to get it right this time around.