

TRUMP AND REPEAL OF THE AFFORDABLE CARE ACT

With the bluster of complete repeal of the Affordable Care Act (ACA) on day one of his Presidency, Trump now has to figure out what he can really do. Most experts think total and complete repeal of the Affordable Care Act is not possible without some agreement from Congress. There, many Democrats will block and stall any complete repeal. Republican leaders worry that by forcing up to 22 million Americans to lose their healthcare would cause them to suffer heavy losses in the 2018 elections.

Many think Trump and Congress will work out the following “changes” to the ACA:

1. Repeal of the individual mandate to purchase healthcare and the employer mandate to provide it.
2. Repeal of all subsidies (Exchange premiums, Medicaid expansion) and taxes (on Cadillac plans and medical devices).
3. Adding Medicare “reform” to the overall Republican healthcare reform package possibly by shifting Medicare from a single payer program to a health savings account model and tax deductions/credits for people who can’t afford healthcare.

What This Means for California

Repeal of the mandates will jeopardize health care for many Californians. There are no ready estimates for how many Californians would be affected but a crude guess could be as high as 250,000. Again, the Republican solution would be to provide tax credits/deductions and encourage health insurers to provide stripped down catastrophic emergency plans for those individuals and families.

Repeal of the mandates would like cause a major increase in health care premiums for all since it’s likely the healthier individuals and families would not be contributing significant premiums to the system to help balance the cost of the sicker people in the system.

Repeal of subsidies would probably also drive up premium costs as more and more people would drop out of the subsidized plans leaving a smaller insured pool to handle the healthcare costs.

Eliminating the subsidy for Medicaid (Medi-Cal) would effectively kill the expansion as it is unlikely Governor Brown and the State Legislature would cover the costs of this federal subsidy. Since the current eligibility is based on income, most likely it would mean a return to categories of eligible. So an otherwise poor individual who is “able bodied” would be left without insurance. Children, the aged and disabled would probably remain covered as they were before.

What This Means for Social Workers

It would probably mean a return in the time machine to pre Obamacare days when it would be a struggle for social workers to help get some poor people healthcare including mental health and substance use services. This is not good timing since California recently legalized recreational marijuana which could lead to an increase in the need for addiction treatment services.