



Federal Activity

As of the third week in July, the Senate Republicans find themselves in the same situation as the House Republicans did earlier this year- trying to balance the conservative and moderate factions of the Republican Party - except with a limited margin for victory. On June 22, Senate Republicans introduced their version of healthcare repeal and replace legislation, the Better Care Reconciliation Act. The bill process was fast-tracked by not holding public hearings or committee meetings in order to try to achieve passage by the August recess and avoid potential voter backlash. The basic provisions would phase out Medicaid expansion by 2021, decrease Federal matching funds and replace with state block grants by 2024, modify tax credits, eliminate all taxes except the Cadillac tax - already postponed until 2026. The bill would also repeal the Medical Loss Ratio and leave it to the states to tackle along with the ability to determine essential health benefits, and retain prohibition on pre-existing conditions while giving insurers the ability to refuse to cover costs associated with some conditions.

The Congressional Budget Office scored the bill as saving \$321 billion over 10 years but resulting in more than 20 million additional uninsured over the same period. Moderate Republican Senators were concerned about the Medicaid cutbacks and conservative senators thought that the bill did not go far enough to repeal the ACA. It became clear that the measure did not have the votes. With a Senate majority of 52-48, the Republicans could only afford to lose two votes, with Vice President Pence casting the tie-breaking vote, so Majority Leader Mitch McConnell postponed the vote to attempt to bridge the gap between the party factions.

On July 13, Senator McConnell introduced a modified version. The new version included several amendments, including allowing states to sell a reduced-benefit plan alongside ACA-compliant plans, which runs the risk of establishing two risk pools. The modified bill also includes \$45 billion aimed at opioid epidemic relief, and retention of the Medicare tax increase on high-income individuals and the ACA net investment tax, both of which would benefit lower-income individuals. Additional provisions include a six-month lock out on individual plans and Medicaid expansion in block grants to states.

U.S. Senate action seems to now be at a standstill after several Republican Senators announced they would not vote either for the modified Senate BCRA or for a straight ACA repeal. Senate Majority Leader McConnell must now return to the drawing board. One of the few options left to McConnell is to work with Senate Democrats to see if negotiations

might produce a compromise bill.

With the August recess less than two weeks away, McConnell has indicated that he will keep the Senate in session for another week to try to work out a compromise. At this point, that path does not look promising. Without a doubt, the situation is extremely fluid and changing, it seems, on an hourly basis.

For a comparison chart of the House and the two Senate versions of federal health care reform bills, the National Public Radio has created a useful version:

<http://www.npr.org/sections/health-shots/2017/06/22/533942041/who-wins-who-loses-with-senate-health-care-bill>

California Activity

On June 24, Assembly Speaker Anthony Rendon (D-Lakewood), recognizing the serious deficiencies of CAHU-opposed SB 562, and officially postponed any further legislative action on the bill until January 2018. He cited the lack of a credible funding mechanism and the failure to include any structure aimed at medical care cost increases, fraud and abuse. Speaker Rendon also stated his continued support for single-payer healthcare as a policy and mentioned the likelihood of a single-payer ballot initiative on the California November 2018 ballot.

Single-payer, as proposed in California, mandates a \$400 billion per year government-run monopoly on all health care services in California. It eliminates all private insurance, Medicare, Medi-Cal, Long Term Care, Covered California, and the valuable advocacy services of insurance professionals and advisors.

While Speaker Rendon's action removes the immediate threat of legislative action on single-payer, CAHU must now address the likely 2018 ballot initiative.

The CAHU Executive Board is close to completing a longer-range action plan aimed at informing members, media and the public of the many problems associated with a government-run, single-payer system. The CAHU Single Payer Task Force, headed by Vice President of Public Affairs Bruce Benton, is putting finishing touches on a strategic plan to engage not only our members, but other concerned organizations, including IIABCal, NAIFA California, business and social organizations throughout the state.

To help fund this important education effort, PAC Chairman Pat Burns is already hard at work on a campaign to raise several hundred thousand dollars to challenge the likely single-payer ballot initiative. Vice President of Communications Dawn McFarland will continue to provide regular and timely updates to members on all related efforts and ways that you can support the cause.

Defeating a single-payer ballot initiative will require all of us to communicate to our clients, friends and relations the many problems inherent with a government run single payer health system. Defeating single payer is a fight we cannot afford lose.

More information and helpful materials on single-payer, SB 562 and communication tools you can use to help inform your clients, family and friends can be found [here](#).

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Questions/comments:

comments@cahu.org

Be sure to attend the CAHU Health Care Retreat to get the latest information!

Register Now!



The poster features a large background image of a resort with a swimming pool and mountains. On the right, there is an inset photo of a social gathering. A yellow speech bubble contains the text: "Walk away feeling Renewed, Refreshed and Restored!". The CAHU logo is in the top left corner.

CAHU
California Association
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SINCE 1927

Healthcare Retreat

September 11-13, 2017

*Come Early On Monday
Reserve some spa time
or try your luck at the
tables before the
President's Reception!*

*Walk away feeling
Renewed, Refreshed
and Restored!*

**This CAHU Health Care
Retreat will be worth the travel.
It's a Destination this Year!**

- Stay with us at the 4 diamond award-winning Pala Casino Resort and Spa
- Learn how to show yourself as THE resource for your clients
- Outstanding curriculum with fantastic break out tracks featuring different courses to choose from
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- Immerse yourself in ways to increase your success
- Resort casual attire encouraged

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