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# National and Texas Trends and Developments for Health Plans and Providers

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One Mission. One Integrated Ministry. One Ascension.



## Agenda

- **Introductions**
- **Overview of ACA Reform**
- **Status of Exchange Markets**
- **Value-Based Care Update**
- **Provider/ Payer Collaborations**
- **Consumerism**
- **Q&A**

## A New Day and New Environment

### Repeal Plus, Rescue and Replace

- Congress moving immediately on “Repeal Plus” – needs only 50 votes. Growing call to slow down and get it right
- Trump Administration will use executive authority to take immediate actions
- “Replace” will take longer and may require 60 votes and bipartisanship



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## Risk of Coverage Disruption Varies by Type of Coverage

### Non-group Market

- ❖ Total non-group enrollment (2015): 21.8M
- ❖ Total Marketplace enrollment (March 2016): 11.1M
- ❖ Immediate repeal of mandate/tax credits could be very disruptive in the near-term

### Medicaid

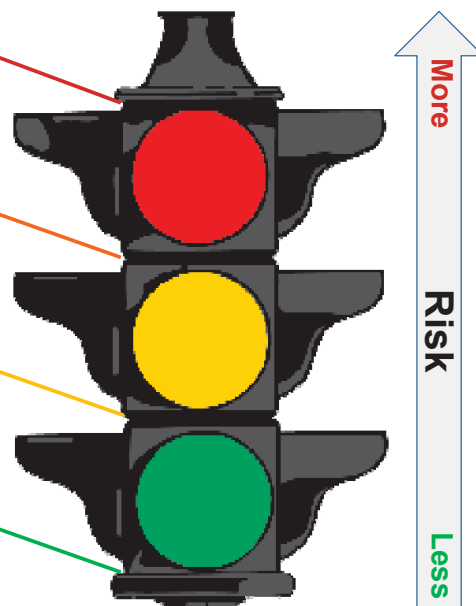
- ❖ Total enrollment (March 2016): 74.1M
  - Expansion population: 14.6M
- ❖ Medicaid expansion population most at-risk;
- ❖ Restructuring of financing to per capita cap on the table

### Medicare

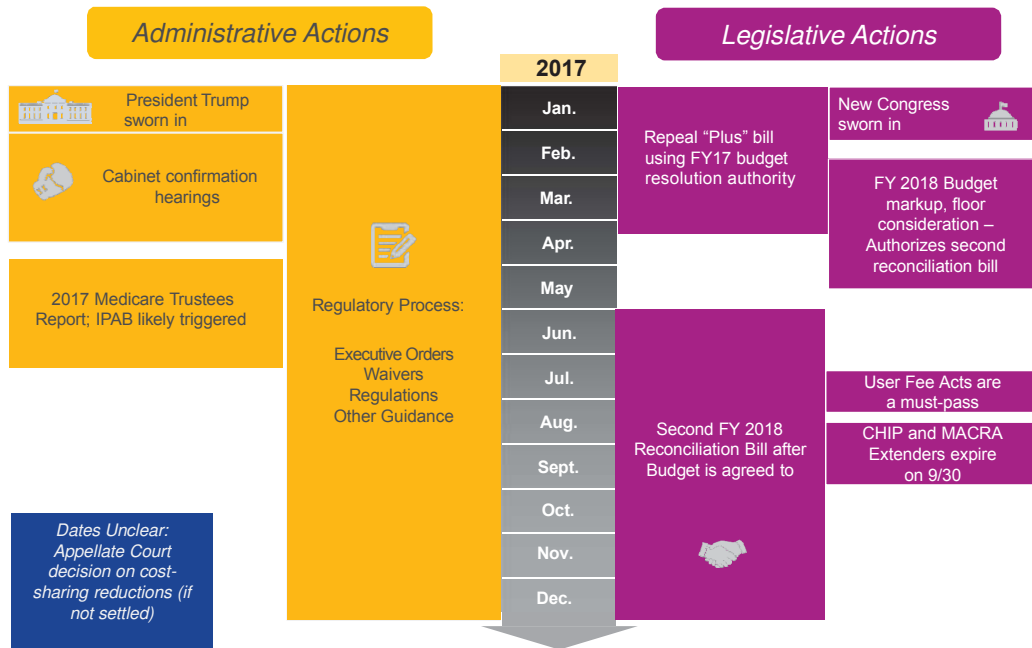
- ❖ Total enrollment (September 2016): 57.1M
  - Medicare Advantage: 18.9M
- ❖ Changes likely to be targeted (IPAB, CMMI); Speaker pushing premium support/Senate not enthusiastic

### Employer-Sponsored Insurance/Coverage

- ❖ Total enrollment (2015): 156.0M
- ❖ Likely to remain stable though Republicans propose to cap employee tax exclusion



## Legislative & Administrative Key Dates Timeline



## Individual Market: Potential Mix of Repeal/Rollback Strategies

With repeal and replace mostly decoupled, a key issue will be the extent to which the repeal effort alters the terms and dynamics of the replacement debate

### On the Menu for Congressional Repeal

- ❖ **Tax credits:** repeal may be delayed to avoid gap
- ❖ **Individual mandate:** immediate repeal likely – impact uncertain
- ❖ **Employer mandate:** immediate repeal likely, has fiscal impact, but market impact would be minimal
- ❖ **All ACA taxes:** will constrain funding available for "replace" bill if repealed immediately
- ❖ **Insurance reforms:** not in reconciliation – requires 60 votes

### Potential Administrative Actions

- ❖ **Insurance reforms:** rollbacks possible in some areas
  - **Benefits:** could be rolled back, statute only lists 10 categories
  - **Rating:** admin flexibility is limited, 3:1 age band and other requirements in statute
  - **Preexisting conditions:** can only be changed
- ❖ **Interstate sales of insurance:** could pressure states by regulation

### Other Administrative Actions

- ❖ **Market destabilization**
  - Shut off cost sharing reductions (CSRs)
  - Expand mandate exemptions
  - Reduce consumer assistance
- ❖ **Market stabilization during transition**
  - Pay insurers for risk corridors/reinsurance
  - Stricter enrollment rules

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