

# Solution to health plan quandary lies with improved ACA

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Any discussion or debate about what's best for the U.S. health care system must begin by asking what is best for patients: Do they have access to the care they need, when they need it?

Given the high stakes of health reform, the subject will again be a major focus on the campaign trail. Voters will hear multiple similar-sounding proposals, including "Medicare for All," "Medicare for America" and Medicare buy-ins as a means to achieve coverage for every American.

The AMA strongly believes that all Americans should have access to affordable, quality health insurance coverage. We also believe that the best way to achieve this is to build on the model of private and public coverage already in place, which has successfully increased access to health insurance for millions of Americans previously unable to obtain it.

Though it is not perfect, the Affordable Care Act (ACA) ushered in gains that most of us now consider essential—guaranteeing coverage for pre-existing conditions; creating options for affordable, quality individual coverage; and ensuring a safety net is available for our patients most in need. We need to build on those gains by enhancing the existing framework of the ACA.

Improving the ACA appropriately targets providing coverage to the uninsured population, rather than upending the health insurance coverage of most Americans. It preserves the ability of patients to choose the health plan that meets their health and budgetary needs—including the ability to remain covered by options they have long relied on, including employer-sponsored coverage

Employer-based insurance has been the dominant form of U.S. health care coverage for decades. Polling by the Kaiser Family Foundation and others shows that most Americans (as many as 83 percent, according to Kaiser) are satisfied with their employer-based coverage.

Disruption aside, the financial burden that would be imposed by a Medicare for All model is unsustainable by any measure. Imagine shifting all current health care spending—by individuals and households, by businesses, and by state and local governments—onto the back of the U.S. Treasury.

It has been estimated that Medicare for All would increase federal spending by at least \$32 trillion over ten years. How will that be paid for?

Improving the existing ACA framework can serve the nation more effectively. One of the key areas we must address is the overall affordability to individuals and families. We propose:

- | Expanding the eligibility for premium tax credits to five times the federal poverty level;
- | Offering enhanced premium tax credits to young adults while maintaining the existing tax credit structure, which is inversely related to income;
- | Addressing the ACA's "family glitch" as well as lowering the threshold that determines if an employee's premium contribution is "affordable," which affect eligibility for subsidies to purchase coverage on health insurance exchanges;
- | Supporting state efforts to expand Medicaid eligibility to 133 percent of the federal poverty level.

To improve the ACA's individual-market risk pool, the AMA supports the efforts of states to adopt individual mandates while providing adequate funding for and expansion of outreach efforts to inform patients of the financial assistance available to purchase coverage on health insurance exchanges. To stabilize the individual market, we support the establishment of a permanent federal reinsurance program. At the same time, we oppose the sale of plans that do not guarantee coverage of pre-existing conditions or lack other protections for essential health benefits granted through the ACA.

All of us benefit from a health care system that is affordable and accessible for all who need it. The ACA has given us a model that can work if we're willing to invest the time and attention required to improve it.