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Straight info on ACA hard to find

By Dana Beezley-Smith, Ph.D.

"Falsehood flies, and the truth comes limping after it."

In an excess of irony, this adage has been erroneously attributed to Mark Twain, Winston Churchill and others; in truth, it was written in 1710 by Jonathan Swift.

But the wisdom of the sentiment lives on in 2019, and as sensational, later-debunked media stories proliferate, coverage and understanding of the Affordable Care Act (ACA) is made increasingly difficult.

In late-January, Senate Minority Leader Chuck Schumer (D-N.Y.) told his 1.67 million Twitter followers that "our uninsured rate just hit a 4-year high," citing the *Los Angeles Times* coverage of a Gallup poll: The uninsured rate increased 2.8 percentage points, and "some 7 million American adults have likely lost or dropped coverage since 2016."

Schumer's tweet received 6,137 retweets and 12,358 likes, and the "seven million" claim was published by numerous outlets, including *Huffington Post*, *The Hill*, *Politico*, *The New York Times* and *Axios*, with many, like Schumer, blaming "GOP sabotage."

However, Gallup's findings may not be reliable, says Matt Fiedler, at the Brookings Institution's Center for Health Policy.

Fiedler, Obama's former chief economist, notes that the pollsters made changes to their methodology this year. It may not make sense to view this as one continuous data set anymore, admits New York Times writer Margot Sanger-Katz.

Gallup's response rate, claims Fiedler, is also lower than those for the Census Bureau's American Community Survey and the Centers for Disease Control & Prevention's National Health Interview Survey, both of which find the uninsured rate relatively stable.

"Who's right? My money is on the ACS and NHIS."

Similar controversy attended Trump's October 2017 decision to end the ACA's cost-sharing reduction (CSR) payments.

The CSR measure was designed to reimburse carriers for reducing low-income Americans' out-of-pocket expense. However, because Congress failed to appropriate funding, the feature was ruled unlawful by a district court. University of Michigan law professor and ACA supporter Nicholas Bagley wrote that "stopping the payments is arguably the only constitutionally available course of action," and the Department of Justice agreed.

While the move impacted only insurance companies and not the subsidy-eligible, MSNBC pundits were quick to announce that Trump was "taking money out of the pockets of the poor." CNN's chyron read: "Trump to end health subsidies for poor people" and similar headlines were carried by *The Independent*, *GQ Magazine*, ABC News and National Public Radio.

Schumer and then-House minority leader Nancy Pelosi (D-CA) called the decision "a spiteful act of vast, pointless sabotage leveled at working families and the middle class in every corner of America."

At the time of Trump's order, the exchanges were called "insecure and unstable" and average insurance premiums had more than doubled those of 2013.

But by defunding CSRs, the administration substantially improved the exchanges, raising subsidies, lowering premiums and attracting previously-resistant younger enrollees.

This paradoxical outcome was no surprise at the Congressional Budget Office nor within the private actuarial community. Greg Fann, Axene Health Partners' senior actuary, released his mathematical analysis months prior to Trump's announcement:

"Defunding CSRs improves markets and boosts federal funding, resulting in lower net premiums for subsidized consumers" and likely reductions in the uninsured rate.

Citing Fann and the CBO, Trump critic DJ Wilson, a health policy roundtable organizer, wrote that the move "is likely to be a benefit to health plans, low-income individual market beneficiaries, and arguably to the system overall."

Wilson added, "Can you believe it? As a result of Trump's policy, greater premium subsidies will mean more folks are likely to get insured. Don't trust your gut on this one, the media, or President Trump. Trust math."

The latest media outcries come on the heels of the administration's recent draft rules for the 2020 coverage year. "Trump's efforts to gut Obamacare go full speed ahead," read a *Los Angeles Times* headline.

In reality, adjustments to the ACA's premium index, based on actual market data, mean subsidy reductions of about 1 percent next year; the change will increase average annual premiums by less than $100 and increase the individual and family maximum out-of-pockets (MOOPs) by $200 and $400, respectively.

Pro-ACA analyst Louise Norris calls the adjustment "fair, even if it results in slightly smaller subsidies and higher MOOPs."

The administration earlier expanded coverage options for pools of self-employed and small business owners through Association Health Plans (AHPs). The 44,000 farmers in Land O'Lakes' cooperative are now offered policies with various deductible options, costing from 10 percent to 35 percent less than exchange plans, while covering all the ACA's "essential benefits."

AHPs, and the lengthening of short-term insurance plans, says Fann, provide an off-ramp for those most deleteriously affected by the ACA – unsubsidized Americans.

Trump’s administration now advocates broadening an employer product called the health reimbursement arrangement (HRA).

HRAs are employer-based accounts that fund workers’ medical expenses on a tax-free basis. Trump’s proposal would allow businesses to reimburse employees for premiums paid in the individual market, on- or off-exchange.

John Barkett, policy affairs director at benefits advisory firm Willis Towers Watson, sees the potential for HRAs to usher in seven million to 10 million new nongroup enrollees, invite more insurers, facilitate greater competition and perhaps even widen provider networks.

In late-2016, policy expert Doug Badger urged that Trump and Congress focus on improving the exchanges, seen as “an immediate crisis” and “a grease fire.” For 2019, the exchanges are healthy and stable, say many analysts.

So is Trump working to sabotage or benefit the ACA markets? Nobody in the media is asking the pertinent questions, Fann laments.

Vanity Fair’s Peter Hamby believes modern journalism is biased toward “shiny new things that get ratings and shares and downloads.” Perhaps stable insurance conditions don’t produce exciting headlines.

But if it pans out, Fann’s guarantee could. “Trump’s legacy will be saving Obamacare,” he says. “Just watch.”

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