The Presidential Candidates and Health Care Policy

By Matthew Strader and Julian Walker

Whoever is sworn in as the 45th President of the United States next January – whether Hillary Clinton, Donald Trump, or someone else – that person’s prerogative will set a policy agenda affecting how the health care industry (including hospitals and health systems) functions. Decades of federal policy decisions have shaped our health care delivery system, and the ways providers operate. The experience of the past eight years regarding the Affordable Care Act’s (ACA) fitful passage and implementation is a reminder of that.

Knowing that Trump and Clinton have secured the respective Republican and Democratic presidential nominations presents an opportunity for a pre-November antiseptic exploration of where these two would-be presidents stand on health care policy issues based on their campaign literature, public statements present and past, and other credible information. In simplest terms, the two candidates have starkly different views on ACA. Clinton favors preserving and enhancing the federal health care law. Trump wants to dismantle it and replace it with a new set of health care policy reforms.

In their own words, here’s what the two candidates have to say about health care.

From the Trump campaign website:

“Since March of 2010, the American people have had incredible economic [sic] Affordable Care Act — isolation, passed by in the House and into law by the most President in America ly but predictably re-costs, websites that greater rationing of premiums, less and fewer choic es. Obamacare has raised the economic uncertainty of every single person residing in this country. As it appears Obamacare is certain to collapse of its own weight, the damage done by the Democrats and President Obama, and abetted by the Supreme Court, will be difficult to repair unless the next President and a Republican congress lead the effort to bring much-needed free market reforms to the healthcare industry. But none of these positive reforms can be accomplished without Obamacare repeal. On day one of the Trump Administration, we will ask Congress to immediately deliver a full repeal of Obamacare. However, it is not enough to simply repeal this terrible legislation. We will work with Congress to make sure we have a series of reforms ready for implementation that follow free market principles and that will re-store economic freedom and certainty to everyone in this country. By following free market principles and working together to create sound public policy that will broaden healthcare access, make healthcare more affordable and improve the quality of the care available to all Americans.”

From the Clinton campaign website:

“The Affordable Care Act was a critically important step toward the goal of universal health care, offering coverage to 20 million more Americans, and ensuring all Americans will have health insurance. This progress, Hillary Clinton will continue to fight to provide universal, affordable health care coverage to all Americans. This is a basic human right. Hillary will:

- Defend the Affordable Care Act and build on it to slow the growth of out-of-pocket costs.
- Crack down on rising prescription drug prices and hold drug companies accountable so they get ahead by investing in research, not jacking up costs.
- Protect women’s access to reproductive health, including contraception and safe, legal abortion.”

The campaign website of the former United States Senator and Secretary of State highlights her health care platform and separately delineates “addiction and substance abuse,” “autism,” “HIV and Aids,” and “Social Security and Medicare,” among other topics for additional spotlighting. In contrast, the Trump website does not delve into detail about his health care ideas, though the
Republican presidential nominee has conceptually embraced facets of the A Better Way health care reform package recently unveiled by U.S. House of Representatives Speaker Paul Ryan of Wisconsin. The overlap between the Ryan and Trump plans includes calls for a full repeal of Obamacare, permitting the sale of insurance across state lines, and providing Medicaid funding to states in block grant form.

**Trump: Repeal ACA, Lift Insurance Limits, Greater HSA Flexibility, Medicaid Block Grants**

While Trump and Clinton have each been public figures of varying notoriety for more than three decades, Clinton’s health care policy views arguably have received greater scrutiny over much of that time due to her status as First Lady in the 1990s. In 1993 she was tapped by her husband, then-President Bill Clinton, to head his Task Force on Health Care Reform to create a system of universal health coverage. It proposed requiring that all U.S. citizens and resident aliens be enrolled in a qualified health plan. It called for the establishment of corporate regional alliances of health care providers operating on a fee-for-schedule basis. Low-income enrollees would pay nothing under the plan, which was to be supported with billions in federal funding for states to administer the plan. The Health Security Act, often referred to as “HillaryCare,” would have provided universal coverage through various mechanisms and included individual and employer mandates. At the time, the Clintons examined a single-payer system but determined it was unworkable, a position Hillary Clinton still holds today – the Democratic nominee has been publicly quizzical towards U.S. Senator Bernie Sanders (he was her chief rival for the party nomination) regarding his support for a single-payer model. During her unsuccessful 2008 presidential campaign, Clinton proposed a health care plan similar to the model she proposed in the 1990s. That plan advocated for universal coverage and included mandates, over which she sparred with then-U.S. Senator Barack Obama. In a twist of irony, Obama initially opposed the individual mandate that subsequently became a central component of the ACA, which now is widely seen as his signature domestic policy achievement.

Clinton recently modified her campaign platform to underscore her support of universal health care, Medicare, and Social Security as an olive branch to Sanders supporters. She has not endorsed a single-payer system, however. During a February 2016 debate, Clinton said she and Sanders “share the goal of universal health care coverage. But I think the people deserve to know how this would work. If it’s Medicare for all, then you no longer have the Affordable Care Act, because the Affordable Care Act is based on the insurance system. So if you’re having single-payer, you need to level with people about what they will have at the end of the process. Based on every analysis I can find, the numbers don’t add up, and many people will be worse off than they are now.”

To build upon ACA, the Clinton plan proposes to allow any state that signs up for Medicaid expansion to receive a 100 percent federal match for its first three years of participation, regardless of when a state expands. President Obama has proposed this in the past, and Virginia Senators Mark Warner and Tim Kaine (Clinton’s running mate) introduced legislation to create that exception earlier this year. Clinton wants to invest $500 million annually to fund a campaign aimed at boosting enrollment. She proposes enabling immigrants, regardless of legal status, to purchase insurance through state health benefit exchanges. And her plan calls for using ACA flexibilities to empower states to create a public option and build upon delivery system reforms driven by the law.

As a past Virginia Governor and as a U.S. Senator, Kaine has been a strong advocate for public health initiatives supporting access to care for all Americans. He recently co-sponsored federal legislation to ensure rural Virginia hospitals, including those in underserved communities, receive proper Medicare reimbursements. Kaine has advanced legislation to combat the heroin and prescription opioid epidemic that Virginia hospitals also confront and are working to curb, and worked with the health care community to prevent the spread of the Zika virus.

As Governor, he pursued health care reforms such as value-based payments, transparency, and enhanced health information technology. He championed efforts to help small businesses purchase health insurance for employees, and worked with the legislature to expand care options for children and expectant mothers. His policy accomplishments include a mental health reform package, an indoor smoking ban, and HPV vaccination standards.

**Clinton: Enhance ACA, Tax Credits for Out-of-Pocket Costs, Prescription Drug Price Reform**

The Clinton plan also features these policy concepts:

- Granting the U.S. Secretary of Health and Human Services additional authority to block excessive health insurance premium hikes.
- Bolstering antitrust resources to scrutinize mergers and prevent harm to consumers.
- Requiring health plans to exempt from deductibles three sick visits.
- Creating new $2,500 per individual, or $5,000 per family, tax credits to help cover out-of-pocket costs.
- Expanding disclosure requirements and new cost-sharing protections for care received in a hospital in a consumer’s plan’s network.
- Stopping direct-to-consumer drug company advertising subsidies, and investing that funding in research.
- Placing a monthly $250 limit on out-of-pocket prescription drug costs for patients with chronic health conditions.
- New measures to streamline approval of generic drugs.
- Allowing Medicare to negotiate drug and biologic prices.

Trump’s views on health care policy have evolved over time. At
the turn of the century, Trump openly expressed conceptual support for a single-payer health care system akin to Canada’s, though he no longer favors that approach in this nation. “I’m a conservative on most issues but a liberal on health. It is an unacceptable but accurate fact that the number of uninsured Americans has risen to 42 million. Working out detailed plans will take time. But the goal should be clear: Our people are our greatest asset. We must take care of our own. We must have universal healthcare,” he wrote in his book *The America We Deserve* published in 2000. Asked about that position in June 2015, Trump said he no longer favors a single-payer system. “No. Now, these are different times. And over the years, you are going to change your attitudes. You’re going to learn things and you’re going to change. And I have evolved on that issue. I have evolved on numerous issues.”

While Trump favors a complete repeal of Obamacare, he said in a February 2016 debate that he likes the idea of an insurance mandate as a mechanism to help make insurance available to people with pre-existing conditions. “Well, I like the mandate. I don’t want people dying on the streets. The Republican people, they don’t want people dying on the streets,” Trump said, adding that his approach would accommodate coverage for “people at the bottom, people that don’t have any money. We’re going to take care of them through maybe concepts of Medicare. Now some people would say, ‘that’s not a very Republican thing to say.’ That’s not single-payer, by the way. That’s called heart. We gotta take care of people that can’t take care of themselves.”

More recently on MSNBC’s *Morning Joe* program, Trump said that a deal has to be worked out with hospitals “to take care of those people that can’t really take care of themselves.”

Trump’s running mate, Indiana Governor Mike Pence, expanded Medicaid in the Hoosier state by adding several conservative elements including a requirement that beneficiaries pay into health savings accounts (HSA), co-pays for emergency room high-utilizers, and a wrinkle that can lead to enrollees being locked out of coverage for six months for failure to make monthly payments. In addition to repealing ACA, Trump has expressed support for these ideas:

- Permitting the sale of insurance across state lines.
- Allowing tax filers to fully deduct health insurance premiums on their tax returns.
- Enabling HSAs to become part of a person’s estate that can be passed on to heirs without facing an estate tax.
- Requiring price transparency from all health care providers.
- Turning Medicaid into a block grant to the states.
- Removing barriers to market entry for drug providers that offer safe, reliable, and cheaper products.

Beyond that, Trump’s plan highlights the need for mental health system reform, and focuses on rebuilding the economy to reduce Medicaid rolls. In keeping with his broader stance on immigration, the Trump plan notes that enforcing existing law and not providing health care to illegal immigrants would save $11 billion. Much of what Trump has proposed dovetails with congressional Republicans’ recently unveiled plan for repealing Obamacare.

In June, Republicans in the U.S. House of Representatives unveiled their plan to repeal and replace the ACA. The *A Better Way* plan relies on many policy proposals previously touted by Speaker Ryan and fellow Republicans. The proposal begins with full repeal of Obamacare, including Medicaid expansion. In its place, the plan proposes a series of health care reforms, including:

- Expanded use of HSAs and other consumer-directed insurance models.
- Advanceable, refundable tax credits for those lacking access to employer-based health coverage.
- The sale of insurance across state lines and other changes to employer-sponsored health insurance requirements.
- Enabling young adults to remain on their parents’ insurance up to age 26.
- Giving states a choice between a per capita allotment, or a block grant, for Medicaid funding.
- Eliminating the so-called “Bay-State Boondoggle” that only benefits certain hospitals.
- Combining Medicare Parts A and B.
- Creating one national uncompensated care pool.
- Moving Medicare to a premium-support model long-term.

The full plan can be found [at Speaker Ryan’s government website](https://www.speaker.gov).

The 2016 election cycle has been wildly unpredictable. In addition to the race for the White House, concurrent congressional contests could alter the U.S. Senate balance of power. Scenarios abound for what the landscape will be after Nov. 8, 2016. Regardless of the outcome, the next President and Congress will play a significant role in determining the future of health care in the United States. A Clinton presidency likely would cement the core elements of the ACA in our health care system; a divided Congress could have difficulty enacting reforms. If Trump resides at 1600 Pennsylvania Avenue, and the GOP retains Senate control, hospitals and health systems may again face significant policy transformation.

---

**About the Authors**

**Matthew Strader** is VHHA’s Director of Federal Government Affairs & Policy. In this role, he manages the Association’s federal lobbying efforts and policy development. Prior to joining VHHA, Matt ran a government affairs consulting business and worked as a lobbyist in Washington, D.C. He also served four years in the administration of Governor Bob McDonnell. Matt is a graduate of Hampden-Sydney College and the Virginia Executive Institute.

**Julian Walker** is VHHA’s Vice President of Communications. In that role, he oversees strategic messaging and communications efforts to complement policy initiatives which support local hospitals and health systems across the Commonwealth. Prior to VHHA, he served as communications director for a public affairs firm in Richmond, VA, and previously spent the better part of two decades as a political journalist. Julian is a graduate of James Madison University.
HosPAC is VHHA’s political action committee. The mission of HosPAC is to provide organized and effective political action, and to support state candidates who will work to improve quality health care through policies supported by Virginia’s hospital and health systems. As elected officials in Virginia and Washington make critical decisions affecting Virginia’s hospitals and health systems, HosPAC supports candidates for office whose actions show consideration for Virginia health care providers and the communities they serve. To learn more about HosPAC or to contribute, visit www.vhha.com/advocacy.

VoterVOICE is an important tool which streamlines the process of connecting constituents to their legislators when the need arises for real-time citizen advocacy. Through that system, VHHA government affairs staff can directly communicate with hospital employees and supporters. VoterVOICE subscribers receive e-mail notice on important issues affecting hospitals, health systems, and providers. Transmitting information that way enables recipients to take prompt action when necessary simply by forwarding the e-mails to local legislators. VoterVOICE removes guesswork from the process for senders. The entire process takes mere seconds for message recipients. Yet hearing from citizens through VoterVOICE has tremendous impact on legislators. Steady constituent feedback on an issue is meaningful to them. It lets legislators know constituents are paying attention to how they vote. People who previously registered for VHHA’s VoterVOICE system are encouraged to log in and check that their contact information is up-to-date. Sign up is simple and does not obligate subscribers to take further action — sending e-mails to legislators is voluntary. Visit https://votervoice.net/VHHA/Home to sign up. Robust VoterVOICE participating helps educate legislators on the issues important to Virginia hospitals and health systems, and help VHHA achieve policy outcomes that benefit providers, patients, and the Commonwealth.