



Jeb Bush's Low-Energy Health Care Plan

By Anna Chu, Kristen Ellingboe, and Thomas Huelskoetter | October 15, 2015

Since the implementation of the Affordable Care Act, or ACA, began, more than 17 million people¹ have gained affordable health care coverage, and 129 million Americans² with pre-existing conditions are now free of the worry that they would be denied health coverage or face significant premium increases. Following its passage in 2010, however, Republican leaders have continued to attack the ACA, holding more than 50 repeal votes,³ launching two Supreme Court cases,⁴ and making it a key target during the 2012 presidential election. After all these failed attempts, it would be reasonable to expect that at least one GOP presidential candidate would understand that the ACA is a historic law that is working for millions of Americans. Ah, but no such luck.

At the beginning of the week, GOP primary candidate and former Florida Gov. Jeb Bush unveiled a health policy proposal⁵ that is a major downgrade from the ACA. In short, Bush's health plan—"The Conservative Plan for 21st Century Health"—is just the latest conservative effort to snatch health insurance away from millions of Americans and take the nation back to the old, broken system that was in place before the ACA.⁶ Yet while Gov. Bush voices platitudes aplenty about health care innovation, his proposal does not reflect what he preaches. Rather, the Bush plan consists of little more than a low-energy rehash of tired ideas and failed policies from his time as Florida's governor.

High energy on repealing the Affordable Care Act

During the announcement of his plan, Gov. Bush stressed that he would repeal the ACA to make way for his supposedly innovative health plan, despite the former's undeniable success.⁷ While Gov. Bush made vague suggestions that his plan provides some sort of transition for the more than 17 million Americans who have gained health insurance under the ACA, he does not seem to think specifics on what that coverage looks like and how that transition is accomplished were important enough to include in the plan. On the other hand, it is perfectly clear what repealing the ACA would mean.

So far, 17.6 million previously uninsured people⁸ have gained affordable health care coverage under the ACA. The Congressional Budget Office, or CBO, predicts that repealing the ACA would result in 19 million people⁹ losing their insurance coverage by 2016. Many of those 19 million people are middle- and working-class Americans or people with pre-existing conditions who could not afford health insurance coverage before the Affordable Care Act.¹⁰ In addition to kicking millions of Americans off their health insurance, repealing the ACA could also increase the federal deficit by \$137 billion over 10 years¹¹—a stumbling block to another Bush campaign promise to grow the economy 4 percent each year.¹²

Repealing the ACA would be particularly devastating for women. An important tenet of the ACA prohibits the practice known as gender rating, which allowed insurance companies to charge women more for coverage, deny coverage for gender-specific reasons, and offer plans that inadequately cover women's health needs. Gov. Bush's plan would reinstate that unfair system under which women paid \$1 billion more in premiums than men each year.¹³ He also proposes stripping essential health benefits, which would substantially reduce coverage for maternity care, mental health care, and prescription drugs.

Empty buzzwords to address high drug prices

Although Gov. Bush claims that his health care plan would reduce drug costs by promoting innovation, progress on this front requires real reform, not just buzzwords. In order to achieve real innovation and lower costs, policymakers need to take steps such as encouraging pharmaceutical companies to invest in drugs that truly improve care, while keeping costs affordable for patients. For example, the Center for American Progress' plan¹⁴ would use independent research on a drug's benefit to patients relative to other drugs to inform cost so that prices reflect the drug's value.

Instead of admitting that the pharmaceutical market is dysfunctional and proposing thoughtful reforms that would improve drug innovation and patient care, Bush attacks the Food and Drug Administration, or FDA. According to Bush, the FDA and government regulation are to blame for slowing down pharmaceutical innovation.¹⁵ However, the recent example of Turing Pharmaceuticals,¹⁶ which jacked up the price of a 62-year-old drug by more than 4,000 percent overnight, shows that the current system is seriously broken.

Instead of allowing outrageous profiteering, Americans should pay for drugs based on their value to patients. CAP has a plan to do just that; it links payment to a drug's effectiveness, caps patient cost sharing to improve affordability, and makes sure that government subsidies for research and development are generating real returns for patients instead of just subsidizing corporate profits.¹⁷

Rehash of tired, unworkable ideas

Instead of being innovative, the health care plan offered by Gov. Bush is nothing more than a rehash of the same old ideas and stale proposals that other Republican candidates have already pitched. And similar to the plans of the other Republican candidates, Bush's plan is light on details. However, where it is clear on specifics, the results would be disastrous for Americans and their families.

Bush's plan repeats many of the suggestions found in the health plans advanced by former presidential candidate Gov. Scott Walker (WI) and current candidate U.S. Sen. Marco Rubio (FL).¹⁸ For example, Gov. Bush proposes providing tax credits¹⁹ to Americans to help pay for health care coverage. However, there is no indication that those tax credits would be sufficient to pay for quality health care coverage. Unlike the ACA, Bush proposes tying the tax credits to age instead of income—meaning that the credits would be more regressive because low-income people would not get more assistance. Other proposals, such as expanding health savings accounts, would primarily benefit healthy and wealthy consumers; research shows²⁰ that these types of financial vehicles are disproportionately used by high-income consumers.

Just like the plans offered by Gov. Walker and Sen. Rubio,²¹ Gov. Bush's plan makes a half-hearted nod to one of the ACA's most popular ideas—ensuring health care coverage for individuals with pre-existing conditions—but it does not actually guarantee this coverage. In reality, only individuals who have maintained continuous health care coverage would be protected under the Bush plan.²² While states are held accountable for providing access to policies²³ for individuals with pre-existing conditions under his plan, the limited detail Bush provides indicates that, similar to Rubio and Walker, he supports the use of high-risk pools for individuals with pre-existing conditions. High-risk pools, which are very expensive to maintain, have never successfully covered large numbers of people and thus are not a feasible alternative²⁴ to the ACA's consumer protections.

Similar to the other Republican health care plans, Gov. Bush's plan advocates shifting control of Medicaid to states through block grants. Doing so, however, would eventually result in major funding cuts and millions of beneficiaries losing coverage.²⁵ And if Bush's Medicaid reforms as governor of Florida are any indication of the type of changes he would push states to adopt as president, working families better brace themselves. Bush's reforms to the state's Medicaid program in 2006 led many Floridians to lose their doctors and their plans,²⁶ along with a reduction in the overall quality of care²⁷ they received despite Bush's promise to provide more competition among health plans and more consumer choice.²⁸ Although there are indications that the program did lower costs,²⁹ studies show that Bush's Medicaid reforms led to a decline in the pool of physicians³⁰ participating in the program, as well as a high rate of withdrawal³¹ for participating insurers.

Additionally, a Bloomberg review of the plans participating in Bush's reform program found that they "ranked below the national Medicaid average on 21 of the 32 quality indicators reported by the state."³² For example, under the Bush reforms to Florida's Medicaid program, nearly one-third of pregnant women did not receive care in their first trimester, half of adults ages 46 to 85 did not receive adequate treatment for high blood pressure, and two-thirds of diabetics did not receive adequate treatment for cholesterol.³³ Simply put, if modeled after the Florida program, Gov. Bush's proposed national health care plan would fail to improve people's health or access to care.

Conclusion

After more than 50 repeal votes, two Supreme Court cases, and years of partisan fighting, it is time that former Gov. Jeb Bush and his Republican peers acknowledge that the ACA is here to stay. Yet predictably, the health care plan introduced by Bush is little more than a rehash of tired, failed conservative policies. And with no solid proposal for how to reduce prescription drug prices or promote innovation except by attacking the FDA, his promise to do so rings hollow. Instead of acknowledging and building on the ACA's success, the Bush health care proposal would strip coverage from millions of Americans and bring back the unworkable system of the past. Frankly, voters deserve a more realistic, higher-energy health care plan.

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Endnotes

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