

Study: Trump health care plan would make 18M uninsured

7 July 2016, by Ricardo Alonso-Zaldivar



Republican presidential candidate Donald Trump greets the crowd and signs autographs during a campaign rally at the Sharonville Convention Center, Wednesday, July 6, 2016, in Cincinnati. (AP Photo/John Minchillo)

Donald Trump's health care plan would make 18 million people uninsured, but also lower premiums significantly for policies purchased directly by consumers, according to an independent study released Thursday.

The new policies would be stingier than what's sold now.

Trump's plan would have little effect on people covered by employers and those on Medicare. But millions of low-income adults covered by the Medicaid expansion under President Barack Obama's health care law would lose newly gained benefits. Separately, taxpayers might save money because the government no longer would have to subsidize insurance for millions of citizens.

The analysis by the nonpartisan Center for Health and Economy attempts to put some numbers to the health care concepts outlined on the GOP presidential candidate's website. The center is a

research group that includes both liberal and conservative experts.

The study found "substantial uncertainty" about one of Trump's main ideas: allowing insurers to sell policies across state lines to promote competition. In 10 years' time, it could lead to as many as 7 million people getting individual policies, or as few as 1 million, the study found.

Some of that uncertainty stems from the fact that health insurance remains a local and regional business. Costs can vary dramatically around the country. A Texas company selling policies in New York City would have to charge higher premiums. Also, out-of-state insurers might struggle to build the networks of doctors and hospitals needed to attract consumers.

"The biggest wild card is (Trump's) approach to allowing people to buy across state lines," said Douglas Holtz-Eakin, a Republican economist and a board member of the center.

There was no immediate comment from the Trump campaign.

The analysis assumes that a President Trump and a Republican Congress would be able to completely repeal Obama's Affordable Care Act.

Insurance losses would be swift and would fall mainly on people covered through Medicaid. The health law offers states an enhanced federal payment to expand their Medicaid programs and enroll low-income adults. Trump's plan would turn Medicaid into a block grant, meaning that federal money would be limited and states would get more leeway on how to spend their allotment.

Among people who buy health insurance directly, there would be winners and losers.

The unpopular requirement to carry health

insurance would disappear. But there would be no federal guarantee that people with health problems could get coverage.

HealthCare.gov's online insurance market would be gone, along with tax credits for premiums and subsidies for out-of-pocket costs. Individuals and families would be able to deduct their premiums from taxes. But that doesn't help as many people as the upfront tax credits that are now available, particularly for those with modest incomes.

Also eliminated would be the health law's minimum benefit requirements, financial protections, and limitations on charging higher premiums to older adults, all of which make coverage more expensive. Insurers would respond by offering skimpy low-cost plans appealing to healthy young adults, for whom the health law has been a tough sell. Average premiums would fall by more than 20 percent.

Over time, more people would purchase the new kinds of coverage. But by 2026, there would still be 13 million more uninsured than currently projected under Obama's law, and they could be older, sicker people.

Another expert who reviewed the study but was not involved in the research said he thinks the coverage losses could be even deeper than 18 million.

"You are going to get a lot thinner coverage both in terms of higher deductibles and fewer benefits," said John Holahan of the Urban Institute think tank. "The policy is bad for people with high risk, and good for people with low risk."

More information: Trump plan:

www.donaldjtrump.com/positions/healthcare-reform

Health and Economy Study: tinyurl.com/zyj2k5z

© 2016 The Associated Press. All rights reserved.

APA citation: Study: Trump health care plan would make 18M uninsured (2016, July 7) retrieved 29 April 2021 from <https://medicalxpress.com/news/2016-07-trump-health-18m-uninsured.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no

part may be reproduced without the written permission. The content is provided for information purposes only.