July 26, 2017

Senate Debates ACA Repeal

On the afternoon of July 25, the Senate, by a margin of 50-50 with Vice President Mike Pence casting the tie-breaking vote, agreed to a motion to open debate on the House-approved American Health Care Act of 2017 (AHCA), a bill to repeal and replace the Affordable Care Act (ACA). Two Republicans joined all 48 Democrats in voting "no" on the issue of opening debate. The Senate will take up the AHCA, substituting the text of that bill with the Senate's Better Care Reconciliation Act (BCRA), and there will be an open amendment process during debate. Although both the AHCA and the BCRA reflect the "repeal and replace" approach to the ACA, there are a number of other approaches to healthcare reform that have reportedly been discussed, and it's presently unknown what approach the remaining Senate proposals will take.

Under the reconciliation process, there must be 20 hours of debate before holding a final vote, which is expected by the end of this week. The first vote was held on the evening of July 25 and demonstrated how difficult it will be for the Senate's divided Republicans to pass an ACA replacement law. By 57-43 — including nine GOP defectors — the Senate voted to block a wideranging proposal by Senate Majority Leader Mitch McConnell to erase and replace much of the ACA. That proposal included language by Sen. Ted Cruz, R-Texas, letting insurers sell cut-rate policies with skimpy coverage, plus an additional \$100 billion to help states ease out-of-pocket costs for people losing Medicaid.

Alternative approaches will now be considered, including what may be a straight repeal of the ACA with no replacement plan, as well as a shortened version of repeal, called a "skinny repeal," that would end the ACA's individual and employer mandates and the medical device tax. But it remains unclear whether Republicans can get the needed votes on any of these plans. If the Senate does manage to pass a bill to repeal or replace the ACA, they will still need approval from the House and the President's signature before it can become law.

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