

Insights

United States Senate Narrowly Fails to Advance Health Care Reform Legislation

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After months of negotiations, Senate Majority Leader Mitch McConnell failed to find enough Republican support to advance some form of health care reform legislation late last week. Accordingly, the Patient Protection and Affordable Care Act (“ACA”) continues to remain the law of the land, though its fate could change at any moment.

On May 4, 2017, House Republicans narrowly passed legislation that would have repealed some of the ACA’s mandates, rolled-back some ACA taxes, reformed insurance coverage, and overhauled the Medicaid program. Senate Republicans received the bill and immediately began drafting a revised version, largely behind closed doors and without committee hearings. Toward the end of June, McConnell released a discussion draft of the Better Care Reconciliation Act (“BCRA”), which kept intact most of the House version’s changes, but made some changes to Medicaid and insurance coverage. The Congressional Budget Office projected that, like the House version, the BCRA would leave millions without insurance coverage. McConnell’s attempts to quickly advance the BCRA fell short and Republican support began to erode.

With the Vice President casting the deciding vote, the Senate opened debate on the BCRA on July 25, 2017. However, the Senate quickly rejected the BCRA and a backup “repeal bill.” In a final effort to pass some version of health reform legislation, McConnell proposed a “skinny bill,” which was a watered-down repeal bill that would have eliminated the individual mandate and some ACA taxes, and given states greater flexibility through waivers to administer insurance benefits in order to lower insurance premiums. The “skinny bill” had more support than the BCRA, but it was not enough to advance the measure for further consideration.

It is unclear whether Congress will continue their effort to replace or reform the ACA, or whether any future drafts will include bipartisan support and allow for open committee hearings. McConnell has already signaled a desire to move on to other legislative priorities like defense spending and tax reform, though concerns with the stability of the ACA marketplaces and rising insurance premiums may yet push the need for ACA reform to the top of the agenda. As such, it would be premature to declare an end to ACA reform.