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# ACA Repeal and Other Healthcare Issues on the Trump Administration's Agenda

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Since the Republican bill to repeal and replace Obamacare never made it to a vote, insurers are still very uncertain about the future of healthcare. At this time it is unclear whether Republicans plan to shore up the law or actively undermine it.

In a session at the Academy of Managed Care Pharmacy Annual Meeting, held March 27-30 in Denver, Colorado, Stephen Northrup, MPA, and Stacey Rampy, JD, partners at Rampy Northrup LLC, outlined why Republicans couldn't pass the bill even with majorities in the House and the Senate, potential Republican action on healthcare in the future, and other healthcare issues that the Trump administration will face in the short term.

According to Northrup, one of the biggest reasons why the American Health Care Act failed to have enough votes to pass the House was the lack of consensus among Republicans on how to repeal and replace the Affordable Care Act (ACA) despite having talked about doing just that for 7 years.

“There was broad consensus around repeal but no consensus on replace,” he said. “And it’s shocking when you think about it that Republicans have been talking about repealing Obamacare and replacing it with something better since 2010.”

He contrasted what happened with Democrats, who had control of the House and the Senate when former President Barack Obama was pushing to pass the ACA. Democrats knew what they wanted to do with the ACA.

Rampy explained that Obama had 3 goals when he started the process of creating legislation for healthcare reform: reduce the number of uninsured, improve outcomes, and reduce insurance costs. Northrup added that coverage expansion took the lead with the idea that addressing costs would be addressed later once coverage was in place. The GOP’s belief that the ACA is no good and Republicans can do better is not a goal and is not enough to get consensus to pass legislation, he explained.

“Republicans have never really had clarity on their own goals and until Republicans gain clarity on their goals, it’s hard for me to see where they come up with the consensus on the path forward,” Northrup said.

Further complicating the matter was the mismatch between policy and procedure—in other words trying to repeal a major piece of legislation through the reconciliation process, which doesn’t really allow for such a complete repeal.

Lastly, the factions within the Republican Party were the ultimate reason the bill was killed. Republican leadership in the House was stuck in the middle of hardcore conservatives, who wanted to repeal the law entirely and scale back costs, and moderate Republicans, who were concerned with a loss of coverage and less concerned about entitlements for the middle class, Northrup said. In reality, there were a lot of aspects of the American Health Care Act that hardcore conservatives should have been pleased with.

“Cutting entitlements and cutting taxes: these are things the conservatives have been pushing for years,” Northrup said. “But they were unhappy with so many other provisions of the bill that they couldn’t see the big picture.”

Instead of taking half the loaf, they wanted the whole loaf or nothing and were unwilling to bend, he said. Again, this is a big contrast with how Democrats handled the ACA. At the time, the liberals to the left wanted a public option because they saw it as a potential road to single payer, which was what they really wanted.

“They pushed and pushed and pushed for it,” Northrup said. “They didn’t get it and yet they still voted for the Affordable Care Act in the end, because they realized it got them most of the way where they wanted to go.” And, he added, they would be able to fight for the public option another day.

What happens next? The American Health Care Act could be reintroduced in either its current form or another form; however, Northrup finds that unlikely in the short term. Through HHS Secretary Tom Price, MD, Republicans have some flexibility in how the law is implemented and they can either shore up the law or actively undermine it. Republicans can choose to do nothing with the challenges facing the law or they can try to move the law in a more conservative direction.

ACA repeal and replace isn’t the only healthcare issue facing the Trump administration. In September, Congress will have to reauthorize the Prescription Drug User Fee Act, known as PDUFA. The law is reauthorized every 5 years and it is a program that has bipartisan interest since user fees account for nearly 70% of the FDA’s drug review budget.

“Both Democrats and Republicans understand the importance of user fees to the agency to be able to review new drug applications,” Rampy said.

In the year leading up to when the law is reauthorized, industry and the FDA engage in a period of negotiations, and a final agreement is sent up to Congress to approve. Typically, Congress sticks close to what has been agreed upon, but it does have the ability to make changes.

Another issue on the agenda is preapproval information exchange. There is growing talk in Washington, DC, that the pharmaceutical industry needs to be able to exchange information about drugs in the pipeline that are maybe 12 to 18 months away from being approved. Policy makers and healthcare decision makers are increasingly concerned about rising drug prices and what impact they have on the ability to forecast budget impact, Northrup said.

For instance, decision makers would like to avoid another situation like what happened when Sovaldi was approved to treat hepatitis C. The drug “exploded onto the scene” and no one had properly anticipated the popularity of the drug, the demand for it, or the price, he explained.

“We believe that the exchange of information preapproval would help healthcare decision makers piece together the puzzle; this is particularly critical as there is so much tension and pressure on insurance premiums and drug prices these days,” Northrup said.