

Post-compromise Democrats, Medicare for All and the possible futures of American health policy

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Napoleon Bonaparte is reputed to have said that “To understand the man you have to know what was happening in the world when he was twenty.” The Affordable Care Act (ACA) in the United States is not a bad example of this dictum. The ACA can be seen to be the result of the very many lessons that were learned during and from the fights over Bill Clinton’s health care proposals of 1992-4. At the same time, the ACA reflects the steadily growing political and ideological polarization, lobbying, economic inequality, and the complexity of public policy in the USA since at least 1994 if not 1980.^{1,2,3}

On the Democratic side, leaders attributed Clinton’s failure to pass the health care reform of the early 1990a to a lack of Democratic unity and the opposition of powerful interest groups such as the pharmaceutical and insurance industries. In response, by the time of the 2008 presidential elections, the differences between Democrats had reduced considerably and their plans become similar. That was deliberate. Democrats and allied thinkers had not just put in years of work to develop a consensus that the party and health care interest groups could stomach. They had also decided that any success depended on unity⁴.

What Republicans learned is less studied, but there for those who look. A party with no particular commitment to health care access or equality, its leaders learned from the Clinton debacle and subsequent 1994 Republican electoral success that fierce opposition to Democratic health care plans reaps rewards.

Both applied their lessons to produce the ACA. Democrats unified to produce a device of remarkable complexity. The ACA carefully balanced interest groups in the health care sector and the party, but this came at considerable cost as for beneficiaries it remained unclear whether the legislation could lead to any improvements in their situation. For example, the individual mandate, which requires people to have insurance or pay a tax penalty, effectively gave insurance companies a tax farm. Health insurers consistently poll as some of the most disliked companies in the United States⁵.

Republicans also applied their lessons, opting for frontal opposition and not even retaining the pretense of wanting to expand health care access to the largely

working poor and nonwhite populations who lacked insurance coverage.⁶ In this they were helped by and contributed to the aforementioned growing racialization of American politics, and the issue of health care in particular.⁷ They demolished a series of legislative and legal norms governing health care in the course of their resistance and were rewarded by winning the 2010 midterm elections and the presidential elections in 2016.

Post- Clinton Democrats built an essentially transactional strategy to solve the problem of lobbying by integrating interest groups who could be difficult opponents. Republicans, however, blindsided them with a strategy to benefit from inequality and polarization.

Now what? Republicans' strategy of abandoning credible concern for health care access and equity has paid off, and it will probably take electoral defeats to allow them to reconsider. By contrast, Democrats are the party of health care access, and as the party out of power they are the one with strategic questions.

In comparing the differing fates of ACA provisions, the provisions which became entrenched most quickly were the ones that enjoyed strong support in public opinion, were already established so that little innovation was required, and minimized the number of different governments that had to be involved.⁸ The ACA's individual insurance mandate, the most innovative single insurance policy in the law, required individuals to have insurance, purchased through new and tightly regulated "marketplaces" or pay a higher tax as a penalty. It might have been a good idea on paper, but it was a politically vulnerable innovation since only a few states had anything like a marketplace and only one, Massachusetts, had a mandate. The marketplaces are only slowly becoming entrenched, and the mandate was unpopular. Now that the Republicans have removed the tax penalty from the insurance mandate, it is hard to see why Democrats would choose to fight to reinstate it.

Post-compromise Democrats could learn the same lessons and aim to expand widely supported, well-established and administratively simple programs.⁹ Such expansions could be clearly understood widely enough to gain support from voters and they would be less vulnerable to political contestation in intergovernmental and implementation venues. In other words, Democrats could conclude that their new agenda should be 'Medicare for all'. It would expand the Medicare program, which currently provides extensive insurance coverage to people aged 65 and above for medical care and medicines. Such an agenda would be simple to explain, be relatively simple to implement, and based on a very popular program; it has political promise as a post-compromise platform.

What would 'Medicare for all' mean for health services research? The ACA has provided for a wide range of measures as part of what Joseph White calls the 'aspirational agenda': a mixture of payment systems reforms, guidelines, managed

care innovations, purchasing schemes, health information technology innovations, and new models such Accountable Care Organizations that are believed to reduce costs.¹⁰ But, as White put it, while broadly promoted and endorsed in the international health policy community, it “barely exists in practice”. These innovations come out of the United States in such profusion because the US has not adopted the underlying framework of price controls and concentrated purchasing that makes European systems sustainable. Medicare for all, as a policy, could actually diminish American output of novel management ideas by diminishing the need for managerial band-aids to put on an ailing system.

In terms of immediate research needs, the very simplicity and familiarity of “Medicare for all” has to some extent masked the amount of policy development that would be required to turn it into implementable legislation. Issues such as price-setting, the relationship with existing programs, the impact on employers and employees, the actuarial stability of the program and the behavior of providers, suppliers and taxpayers are all largely unknown, and mapping out those policy options a pressing task for Democrats and nonpartisan policy analysts.

The United States is, for the foreseeable future, an unequal, polarized, and highly partisan country. One party has adapted well to it. If Democrats do so as well, something as radical as Medicare for all might start to look like a practical political program for its times.

¹ Enders AM, Scott JS. The increasing racialization of American electoral politics, 1988-2016. *Am Pol Res* 2018 Feb 27;1532673X18755654.

² Ferguson, T. Big money, mass media and the polarization of Congress. In Crotty W, ed. *Polarized politics: The impact of divisiveness in the US political system*. Lynn Rienner, 2015: 95-128.

³ Teles S. *Kludgeocracy: the American way of policy*. New America Foundation. 2012.

⁴ McDonough JE. *Inside national health reform*. Univ of California Press; 2011.

⁵ American Customer Satisfaction Index, www.theacsi.com. Accessed 25 March 2018.

⁶ Morone JA, Blumenthal D. The arc of history bends toward coverage: Health policy at a crossroads. *Health Affairs* 2018;37(3):351-7.

⁷ Tesler M. The spillover of racialization into health care: How President Obama polarized public opinion by racial attitudes and race. *Am J Pol Sci* 2012;56(3):690-704.

⁸ Béland D, Rocco P, Waddan A. *Obamacare Wars: Federalism, State Politics, and the Affordable Care Act*. University Press of Kansas; 2016.

⁹ Greer S.L. *The Politics of Bad Policy in the United States*. *Perspectives on Politics*, in press.

¹⁰ White J. The 2010 US health care reform: approaching and avoiding how other countries finance health care. *Health Econ Policy Law* 2013;8:289-315.