

GREATER NEW YORK HOSPITAL ASSOCIATION

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KATE BASTINELLI, HOST:

Welcome to Perspectives. I'm Kate Bastinelli from the Greater New York Hospital Association and today I'm interviewing my colleagues, David Rich, Executive Vice President of Government Affairs, Communications, and Public Policy; and Jon Cooper, Senior Vice President of Government Affairs; on what to expect from the Biden administration on health care. Let's get started.

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BASTINELLI:

Thank you both for joining me today.

DAVID RICH:

Thank you for having us.

JON COOPER:

Thanks for having us, Kate.

BASTINELLI:

So, the 2020 Presidential election results have finally been certified and the Georgia election is called. We now have a democratic House, Senate (led by our good friend Senator Chuck Schumer), and White House. So, let's start with the big question. What does all of this mean for health care in 2021 and beyond?

RICH:

Well Kate, this is David, it's a very exciting time for New York health care right now. Because, as you can imagine, having a New Yorker as the Senate majority leader for the first time since that post was created in the 1920s, means that New York can really have a seat at the table in all of the negotiations. Not just on health care but for all bills that are considered in the United States Senate and in the Congress. So, we're extremely pleased that Senator Schumer, who is not only a New Yorker and so therefore knows the New York environment, but has also been the foremost champion in Congress on hospital issues, teaching hospital issues, this will accrue to the benefit of not just our membership and the patients that New York Hospitals serve but also our membership in New Jersey and Connecticut and Rhode Island, all of whom are teaching hospitals. And the fact that Senator Schumer has been such a champion of issues that are important to teaching hospitals is just a huge development and a huge boon for our membership and the issues our members care about.



GNYHA is a dynamic, constantly evolving center for health care advocacy and expertise, but our core mission—helping hospitals deliver the finest patient care in the most cost-effective way—never changes.

COOPER:

I think you said it exactly right. I would only add that in addition to Senator Schumer, you know, the Democrats continue to control the house and now the white house. So the shift that's occurred over the last four years from mostly control of the administration by the Trump administration, where our focus was less on States like New York and more on the south and rural parts of America, and then Senate Majority Leader McConnell from Kentucky, you know the shift to States like New York, California, and some of the states that may not have gotten too much attention in the health care world over the last couple years will definitely swing back now in the direction of places like New York, New Jersey, Connecticut.

RICH:

Yes, and the good news, I think, for going beyond hospitals, but for health care in the United States, is that we will no longer have a majority in either house or a President that wants to repeal the Affordable Care Act. So, I think the attempt will be the opposite, which is something that we strongly support, which is to try and finally build upon the Affordable Care Act. When the Affordable Care Act passed in 2010, and we were very much a part of that debate at the time, we knew that there were issues that would arise over time. There would be things, amendments, that would need to be considered to improve upon it. It was an experiment really when it passed in 2010 and finally went into full effect in 2014. So, we know there would be bumps in the road and things that would need to be changed to improve it. That's been nearly impossible to do because of the Republican position that it should just be repealed all together. So, the fact that we now will have a president and a house and a senate majority committed to building upon the Affordable Care Act and also amending it to make sure it works better than before, I think is a boon to all Americans who still struggle with affording health care insurance, and to have other issues that really need to be addressed. I think that's very much a positive going forward.

BASTINELLI:

So, one question that comes to mind with the Affordable Care Act is with the case that's currently in front of the Supreme Court. Is the constitutionality of the ACA still at risk?

RICH:

It is as long as the Supreme Court hasn't yet ruled on it. They will need to rule on it, as you know they've had the oral arguments already. It's unclear when they will actually come out with a ruling. The court will finish up its session at the end of June, so we certainly will have some sort of answer by then, but yeah, it is a risk as long as that case has not been fully decided.

COOPER:

Just to add, there are some discussions and they're preliminary, that you could try to address the issue that the Supreme Court is grappling with on the constitutionality of the Affordable Care Act. The whole case came about because Congress zeroed out the mandate that people buy insurance. You could in theory, if the Congress decided to, put some sort of mandate, very minimal, maybe like a dollar or just the wording, and put it back in and that might help alleviate some of the arguments that are going on in the Supreme

Court. It's all preliminary discussions at this point but there are small possibilities that folks on the hill could try to address it before the Supreme Court has to issue their final ruling in June.

RICH:

And that could moot out the case, is what you're saying John, right?

COOPER:

Exactly.

BASTINELLI:

Diving even deeper into insurance, what does a Biden presidency and Democratic control of both houses mean for health insurance proposals like Medicare for All?

RICH:

Well, I think it's important to understand that while there are majorities, democratic majorities in both the House and the Senate, they're very narrow. You can't get more of a narrow majority than 50/50 in the Senate with the vice president breaking ties. And so, in order to get anything done through the Senate you really need to have all 50 Democratic senators rowing in the same direction and supporting the same proposals and the same compromises. Similarly, in the House, the Speaker lost seats in the November election and so that's pretty narrow as well. She can't lose that many Democratic votes and still reach the 218 vote majority that she needs to get something through the House. It's unlikely given the makeup of the Speaker's conference, as well as soon-to-be Majority Leader Schumer's conference, that you could get something done like Medicare for All, given that there are a number of moderates that do not support Medicare for All in the Senate. And I think there are a few Senators on the Democratic side who've already made clear that they will not support Medicare for All, including Senator Manchin from West Virginia and perhaps a few others as well. And so, it is unlikely, I think, that Medicare for All will be one of the options on the table. I think it's much more likely that what you'll see is potential expansion of the ACA, expanding eligibility for subsidies under the ACA, perhaps increasing the subsidies. I think where there will be a real debate, is around a public option to be added to the options that people can choose from on the Affordable Care Act exchanges.

COOPER:

Just to add to what you're saying, David, the House will do what it has to do., they will be pulled left by obviously their caucus. I think that a major point that a lot of us forget about is that president-elect Biden, he did not run on Medicare for All. In fact, he ran on a bunch of the other options that David's talking about, which are expanding the subsidies, expanding Medicaid, and so the thing that differentiated him from a lot of the other candidates, including Senator Sanders, was that he wasn't running on Medicare for All. So, with the President and his staff and his agencies of power not pushing for that as well; there will be noise and there will be people looking for it, but I don't see it happening, as David suggested.

BASTINELLI:

How do you think that the Democratic Senate and House, but also the restrictions of not having a huge majority, will affect President Biden's overall approach to health care policy?

RICH:

I think, and Jon you might disagree, but I do think that having those narrow majorities actually fits well into what president-elect Biden campaigned on. As Jon said, he didn't campaign on Medicare for All, he campaigned on improving the Affordable Care Act. He did campaign on adding a public option, as I mentioned, to the exchanges. He also campaigned on things like lowering the eligibility age for Medicare from 65 to 60, I believe, Jon, was one of his platforms. Those are the types of things I think that people will realize, and I think progressives who support Medicare for All will realize are much more doable when it comes to the narrow majorities that exist in both the house and the senate. Even in the house, there's still a group called The Blue Dog Democrats, who are a little bit more moderate, who also have not come out for Medicare for All. So, I think Joe Biden's agenda is one that he will be able to at least try to go forward with. I should point out that even a public option is not something that is necessarily a slam dunk, given that there's a lot of opposition to a public option, a lot of the national health care groups, The American Hospital Association, Federation of American Hospitals, certainly the insurance groups and others have come out in opposition to a public option. So, it's not as if that won't have some controversy associated with it, let alone trying to move all the way to Medicare for All.

COOPER:

Beyond Medicare for All, we can't forget about this, there are in my mind two health care buckets right now. There's COVID, which is what we're all dealing with and I think that is the primary, is the number one, two, and three priorities for the administration they come in on the 20th. They have to get a handle on COVID, they have to get the vaccine out, they have a lot of things they want to change, and I think a lot of their both regulatory and congressional focus in the first month and a half will be on that. And then I think as David's saying, the second legislative, more normal, if COIVD can get under control, priority list will be things like enhancing the ACA, encouraging Medicaid expansion, maybe lowering prescription drug prices, those kinds of things. I think they can walk and chew gum and do both. I think Congress will see this two-year window as the time when they have to get all these things done, but I think that the COVID situation is just so important and so time-sensitive, that I think that's the initial push on everything out of the administration.

BASTINELLI:

So, is there a hope that we could see stimulus funding for states and localities at the, let's say in the first 100 days of the new Administration?

RICH:

There definitely is hope and we certainly are going to be doing everything we can to encourage it. It is something that, as you know, both the Speaker and the soon-to-be Majority Leader Schumer were extremely

supportive of in negotiations with the administration and with the Senate Republicans in the last Congress. It was the Senate Republicans who really nixed it and certainly president-elect Biden is very supportive of giving support to state and local governments. It's not that clear to me, given that the negotiations will still need to be between Democrats and Republicans, exactly how quickly they will be able to get something done. But, Jon, do you have any insights on that?

COOPER:

No, I agree, David. I think out of the gate they will try to do a big COVID bill, including stimulus, and state local will be a part of it, and while the Democrats now control the Senate by picking up a few more seats, it's still going to be a process and negotiation where Republicans will need to be involved. You probably need 60 votes in the Senate to get something done unless they go to other processes. I think we're going to get back into the same situation where Republicans are no, and Democrats are yes. But as you said David, with the Biden administration coming in, there's a lot of power and negotiating leverage that comes along with that. So, I think it's much more likely than it was just a few weeks ago and I think also as time goes on and economy continues to sputter, the need for the state and local funding will just grow and grow across the country and you'll see more and more republican and red states coming out and asking for it as well.

BASTINELLI:

Outside of COVID, what kind of support and funding can hospitals expect under the Biden administration?

COOPER:

Well, I think as we said, state and local is very high on their list, additional funding for vaccine and distribution and procurement, I think will be a big thing, and more money for testing, which we all desperately need. I do think they will consider a lot of our agenda, which is additional funding for something called the Provider Relief Fund that was created in the beginning of COVID, thanks in large part to Senator Schumer, that we advocated for which was now up to a \$178 billion pot of money that goes to stabilize hospitals across the country that have been having to deal with COVID. I think we'll have a friendly year in the Biden administration for enhancing the Provider Relief Fund, as they call it. I think also they'll be more resources put behind the workforce at the nursing level and even up to the physician level, and you know, there's a whole lot of things on our priority list that I think will meet much more positive ears on the administration side. I think a lot of agenda will, I wouldn't say get passed because again it has to be a negotiation, but I think it'll get a much better hearing amongst Capitol Hill and the administration.

RICH:

Yeah, and we made a good start in the last huge bill that the president finally signed at the end of the year, and Jon certainly had a huge amount to do with a lot of the provisions that were in it, and it was very nice to be able to clean out some things for a while, including the Medicaid disproportionate share hospital cuts that have been on the table ever since the ACA passed, which have been continuously delayed since they were due to go into effect back in 2014. Those have now been delayed for 3 years and one year eliminated altogether, so it's nice to be able to take that off the agenda for a period of time. That's something that would have been extremely devastating to our safety net hospitals should it ever go into effect. The Biden

administration won't need to deal with that for a while. Jon's also work with his colleagues at the AAMC and working with Senator Schumer and also the Ways and Means Committee, we're able to get new residency slots funded by Medicare, medical residency slots, which has not happened since they were capped in 1997. So, that was excellent and hoping to build upon that. More and more members of Congress and Senators understand, due to a lot of the education that Jon and his colleagues have done in DC, that there is an impending physician shortage. Many of them feel that already, especially people in inner city and rural areas, and so I think building upon some of the excellent provisions that were contained in the end of year legislation will be something that we will be spending some time on and trying to really work on. As you know, New York is really the epicenter of physician training in the country, but I would argue in the world given that in the New York City area we train 15% of all the residents nationwide, and so that is something that is always extremely important to our members. They're training a lot of residents for whom they're not getting any reimbursement at this point in time. The new provisions in the bill that passed at the end of the year, that provided 1,000 new Medicare reimbursable resident slots over the next five years will be helpful, and hopefully, as I said, we can build on that over the next few months.

BASTINELLI:

Before we go, do either of you have any other thoughts on what to expect from the Biden Administration on Health Care?

COOPER:

I think it's going to be really interesting because they have put together a team of real public health experts at very high levels because of COVID. So, I think they're going to have real expertise at trying to get COVID under control and everything will run off of that: the economy, the budget, our health, people we care about, their safety, it all runs off of COVID in my mind and I think they're really going to come out really strong out of the gate on the 21st and then they're going to come running. And then, I think once they get that under control, there's a lot of things that they want to do. This pent-up demand since the Obama years to do a lot of the things that David was talking about to lower health care costs and increase access. I think the biggest one I can think of, besides the subsidies for the ACA exchanges, has been throughout the Democratic party whether you're moderate or more Progressive, I think the Medicaid expansions that were limited by the original Supreme Court Case is something that everybody agrees on. I think the Biden administration, or the people he's bringing in, would agree that getting states to expand those Medicaid programs, whether it's by making them, which I doubt they'll do, or giving them incentives to do it, I think we'll be really top priority for them. And by doing that you could see a huge expansion of the number of people that are covered for insurance across the country.

RICH:

I totally agree. I think you, know one, of the themes of this of this podcast has been that we think they'll build upon the ACA and that will hopefully mean fewer uninsured in the country and that'll be through Medicaid expansions as Jon just mentioned, but also just making health insurance more affordable for people, particularly those who were purchasing insurance on the exchanges. So, we really look forward to being a part of that debate. In the past we have put forward a whole variety of ideas to try and build upon the ACA and to get more people insured, and some of those are very similar to then what were contained

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in the Biden and platform. So, we really want to be part of those solutions and hopefully we will be by working both with Congress and the new Administration.

BASTINELLI:

Thank you for joining us today. Until next time, this has been Perspectives.

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