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How the War Over Obamacare Can Erode American Democracy

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by: Daniel Béland, Philip Rocco, and Alex Waddan, authors of Obamacare Wars

“I can’t answer that question.” That was House Speaker Paul Ryan’s response when asked how many people would lose insurance if his plan, the American Health Care Act, became law. Ryan’s reticence reflects the political reality Republicans presently face. After six years of promising to repeal and replace Obamacare, Republicans now control Congress, the White House, and a majority of state governments and so they need to deliver on their rhetoric.

Yet, as initially laid out, Ryan’s plan seems to invite rather than deflect political pain. The proposal for flat tax credits would likely increase premiums for many lower and middle income Americans, while providing tax relief for higher earners. The plan would make major cuts to Medicaid, which covers millions of low-income Americans while paying for roughly half of all live births and the vast majority of nursing home stays. Unsurprisingly, healthcare industry stakeholders from consumer groups to the American Medical Association oppose the plan.

So, why has Ryan led his party into supporting a plan that will only exacerbate the most unpopular aspects of health care provision? As our book Obamacare Wars suggests, the answer lies with how partisanship has trumped constructive efforts at bipartisan policy making. In March 2010, every Republican representative voted against passage of the ACA. After that, rather than helping fix problems with the law as it was rolled out, most Republicans, at both the federal and state level, aimed at undermining effective implementation of the reform.

For example, in Congress Republicans gutted the risk corridor program, designed to stabilize the individual market as insurers developed experience with covering new and costly populations of consumers. When premiums increased as a result, Republicans simply blamed Obamacare itself. As we detail in our book, in the states, many Republican Governors and state legislatures did not join with the Medicaid expansion and refused to establish their own state level insurance exchange.

Importantly, not all efforts at obstruction were successful. The Obama administration was quickly able to implement regulatory reforms, such as banning insurers from discriminating against consumers with pre-existing conditions and requiring insurers to cover dependent children up to the age of 26. The Ryan plan spares these especially popular provisions from the chopping block.

But just as partisanship largely shaped the ACA’s implementation, it now shapes the fight over repeal. In drafting their plan, House Republicans shut out policy expertise, even from conservative wonks like Avik Roy and James Capretta. Instead, they relied on party insiders, convinced that the only “problem” is the fact of the ACA’s initial passage, but there is irony in
the Republican resolve. The ACA was modeled on ideas previously endorsed by conservatives and implemented in Massachusetts under Mitt Romney. This has left Republican leaders with few options they can brand as a distinctive “conservative” alternative. How do you privatize a law that already relies on private markets? How do you “devolve” a law that already relies heavily on action by state governments? The answer that Ryan proposes amounts mostly to spending cuts and upward redistribution that will hurt the Republicans’ own electoral base.

If politicians still fear electoral backlash for decisions that harm voters, the AHCA is unlikely to survive in its current form. Yet, the efforts to keep policy under wraps and to push through key decisions without extensive deliberation suggests that Ryan thinks policy effects could be decoupled from electoral punishment. Perhaps, when Republican voters experience sticker shock at the physician, Obamacare will still be blamed. This seems to be the outcome Ryan is gambling on. His willingness to throw the dice illustrates the intensely partisan context in which Obamacare developed. Republicans simply heaped all political blame for bad outcomes on Democrats. If they can continue to do so while running government at all levels, it will have ramifications beyond the ACA. Rather, it will mean that partisanship is capable of eroding the foundations of electoral democracy itself.

Daniel Béland, Philip Rocco, and Alex Waddan are the authors of Obamacare Wars: Federalism, State Politics, and the Affordable Care Act (University Press of Kansas, 2016).