Health reform lives.

A group of policy wonks has been working since last fall to develop the next generation of patient-centered health policy recommendations that they unveiled at a rollout event at the Hoover Institution in Washington, D.C., on Wednesday.

The plan, called the Health Care Choices Proposal, takes a federalist approach in moving power and control of the health sector away from Washington, through the states, and ultimately to consumers.

The recommendations were developed by the Health Policy Consensus Group, including state and national health policy experts and members and leaders of grassroots organizations from around the country who are determined to give Americans relief from the high costs and restricted choices that Obamacare has imposed.

“We know health reform is needed, but for too long, conservatives have battled over the right solution—whether to provide tax credits, tax deductions, or some combination to help people afford health coverage,” according to Yuval Levin of the Ethics and Public Policy Center, one of the leaders in the effort.

“After last year’s attempts to pass reform, some are now saying Obamacare will collapse if we do nothing. But that is not the case,” I told the group. “The ACA provides an open-ended call on taxpayer dollars to continue to prop up the law’s programs, even though it is a proven failure in providing the promised ‘universal coverage,’ lowering costs, providing greater choices, and allowing people to keep their plans and their doctors.”

Former Sen. Rick Santorum, Marie Fishpaw of The Heritage Foundation, Dan Holler of Heritage Action, Doug Badger of Galen and Heritage, and Levin all have been leaders in developing the plan. State think tank leaders as well as grassroots activists from around the country also have been integrally involved. (I facilitate the Health Policy Consensus Group through my work at the Galen Institute and was part of the team developing these recommendations.)

Santorum said during the event that his passion to advance patient-centered health reform stems partly from the experience of having a daughter, Isabella, who was born with a genetic disorder called Trisomy 18. “Half of babies born with Trisomy 18 die in the first three months of life and most don’t live beyond one year. But we just celebrated Bella’s 10th birthday in May. We have been able to get medical care in the United States for the miracle of this beautiful child because of the health care she has been able to receive.”

He said he fights every day to make sure that children like Bella will have the freedom to get the health care they need without government intervening, as tragically happens in countries with government-controlled health care systems that block their access to care, as we recently saw in the cases of Charlie Gard and Alfie Evans.

Unlike Obamacare, the Consensus Group’s Health Care Choices plan devotes resources to help finance care for those with expensive health care needs, including those with pre-existing conditions. The ACA put these patients in the same pools with everyone else without extra subsidies and that drove up premiums to the point that healthy people are being driven out of the market.

About 75 people demonstrated outside the Hoover Institution’s building before the event to protest the Health Care Choices Proposal event. “To those people demonstrating outside,” Santorum said, “you are absolutely wrong in saying that we would not care for people with pre-existing conditions. We do more than Obamacare did for them!”

Gov. Phil Bryant of Mississippi spoke and expressed strong support for policies that would allow states to provide real choices of affordable coverage for their citizens.

“The demonstrators outside have signs that say, ‘Save My Care.’ Well, that is exactly what we are going to do!” he said.

Gov. Bryant said he supports the Health Care Choices approach because “the best government is the government closest to the people. This plan represents a grassroots, commonsense effort that a majority of the American people will gladly welcome.”

Gov. Matt Bevin of Kentucky warned Congress about not taking action. “There is not a single Republican who has run for federal office in the last eight years who didn’t run saying they were going to repeal Obamacare. What we are doing here is asking our Congress to stand up for the very promises they made.”

State Sen. Bryce Reeves of Virginia told the group that putting more people on Obamacare is not the answer. He read an email from a constituent who said his health insurance now costs more than his mortgage. “What am I supposed to do for my family?” the man asked him.

“So now, my constituents have to choose between having a roof over their heads or having protection against huge medical bills? This is unacceptable.” He said the Consensus Group’s plan offers a much better choice.

“I am fired up. We all have to get engaged to turn the tide.”
The Trump administration is doing all it can through its existing regulatory powers to give people relief—including its new rule on Association Health Plans and, soon, reviving Short-Term Limited Duration plans.

And Congress has taken targeted legislative actions, including repealing the individual mandate and delaying onerous taxes. But Congress must do more for real reform to be implemented.

There is interest in the plan in Congress, the White House, and especially the states.

**U.S. Sen. Lindsey Graham** of South Carolina issued a statement after the launch event supporting for the Health Care Choices Proposal, calling it "a plan created by grassroots groups to lower health care costs and increase choices for people across the United States."

Graham has been a leader in pushing for health reform changes that will allow states and localities "to create more innovative solutions to health care problems." He continued:

"As long as Obamacare is the law of the land, we will continue to see premiums skyrocket and choices in health care deteriorate. Millions of Americans are suffering under Obamacare. They demand we provide them with more choices and health care that meets their needs.

"This idea – returning money and control to the states and localities – has been used before with great success when we reformed welfare. It freed states from the grips of a Washington-knows-best bureaucracy and allowed for innovation and cutting-edge reforms."

Sen. Graham pledged to continue to push for legislation to give people relief from the high costs of Obamacare. "Ultimately, I believe we will have a breakthrough and deliver for the American people," he said.

**The Health Care Choices Proposal** would empower states to have much greater flexibility and resources to help their small group and individual markets heal from the assault of Obamacare, reviving competition and giving people choices of coverage they can afford. The actual bill would, of course, contain additional provisions, including grant allocation formulas, transition funding, and enhancements to health savings accounts, but the group believes its recommendations offer a solid platform for future legislation.

More details of the plan are available here. Nearly 100 individuals and groups have signed up to support the plan, and the governors who spoke on Wednesday said they are anxious to talk with their colleagues in other states about the opportunities it offers. Others, including Avik Roy, already have opined.

The Consensus Group summarized its Health Care Choices recommendations, as follows:

"We recommend replacing Obamacare spending with block grants to the states to help the low-income and sick access the care they need from the doctors and coverage they choose, in ways that will strengthen—not undermine—private markets to help millions of others shut out of the market afford coverage.

The proposal would repeal the individual entitlement to premium and cost-sharing reduction subsidies and Medicaid expansion. Instead, states would receive block grants from the federal government, which they would use to stabilize their markets and provide assistance to those with low incomes and to the sick and needy.

"To assure that people have choices and that the vulnerable are protected, states must make sure that:

- At least 50% of the block grant goes toward supporting people’s purchase of private health coverage
- At least 50% goes to provide coverage for low-income people (the two categories will overlap)
- A portion of the grant goes to offset the costs of high-risk patients to make sure they get the care they need and that they don’t drive up premiums for everyone else in the market
- Anyone eligible for financial assistance under the block grant, CHIP, or Medicaid can take the value of their premium assistance to purchase the private plan of their choice
- Life is protected. The grant would be distributed through the Children’s Health Insurance Program which provides protections against taxpayer money being used to fund abortions.

"Obamacare requirements on essential health benefits, single risk pools, minimum loss ratio requirements, and the 3:1 age ratio would not apply in states receiving federal allotments. Nullifying these mandates along with new flexibility to the states would reduce premiums, allow fairer premium variation and, in combination with risk mitigation, assure that the sick get the coverage they need without charging the healthy unfairly high premiums.

"Funds to finance the block grants would be based upon spending, as of a fixed date, on ACA subsidies (both tax credits and CSR payments) and Medicaid expansion.”