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Physicians — like all Americans — are trying to size up Joe Biden's healthcare agenda, which the Democratic presidential nominee has outlined in speeches and on his official website.

Many healthcare professionals, patients, and voters of all political stripes think our current healthcare system is broken and in need of change, but they don't agree on how it should change. In Part I of this article, we take a look at Biden's proposals for changing the US healthcare system. Then, we include comments and analysis from physicians on both sides of the fence regarding the pros and cons of these proposed healthcare measures.

Part 1: An Overview of Biden's Proposed Healthcare Plan

Biden's proposed healthcare plan has many features. The main thrust is to expand access to healthcare and increase federal subsidies for health coverage.

If elected, “I’ll put your family first,” he said in a speech in June. “That will begin the dramatic expansion of health coverage and bold steps to lower healthcare costs.” He said he favored a plan that “lowers healthcare costs, gets us universal coverage quickly, when Americans desperately need it now.”

Below are Biden's major proposals. They are followed by Part 2, which assesses the proposals on the basis of comments by doctors from across the political spectrum.

Biden Says We Should Restore the ACA

At a debate of the Democrat presidential candidates in June 2019, Biden argued that the best way to expand coverage is "to build on what we did during the Obama administration," rather than create a whole new healthcare system, as many other Democratic candidates for president were proposing.

“I’m proud of the Affordable Care Act,” he said a year later in his June 2020 speech. "In addition to helping people with preexisting conditions, this is the law that delivered vital coverage for 20 million Americans who did not have health insurance.”

At the heart of the ACA are the health insurance marketplaces, where people can buy individual insurance that is often federally subsidized. Buyers select coverage at different levels — Gold, Silver, and Bronze. Those willing to pay higher premiums for a Gold plan don't have high deductibles, as they would with the Silver and Bronze plans.

Currently, federal subsidies are based on premiums on the Silver level, where premiums are lower but deductibles are higher than with the Gold plan. Biden would shift the subsidies to the Gold plan, where they would be more generous, because subsidies are pegged to the premiums.

In addition, Biden would remove the current limit on subsidies, under which only people with incomes less than 400% of the federal poverty level qualify for them. “Many families making more than 400% of the federal poverty level (about $50,000 for a single person and $100,000 for a family of four), and thus not qualifying for financial assistance, still struggle to afford health insurance,” the Biden for President website states.

Under the Biden plan, there would still be a limit on insurance payments as a percentage of income, but that percentage would drop, meaning that more people would qualify. Currently, the level is 9.86% or more of a person's income; Biden would lower that level to 8.5%.
"We’re going to lower premiums for people buying coverage on their own by guaranteeing that no American ever has to spend more than 8.5% of their income on health insurance, and that number would be lower for lower-income people,” Biden said in the June speech.

**Add a Public Option, but Not Medicare for All**

In the primary, Biden parted company from rivals who backed Medicare for All, a single-payer health system that would make the government pay for everyone's healthcare. “I understand the appeal of Medicare for All,” he said in a video released by his campaign. “But folks supporting it should be clear that it means getting rid of Obamacare, and I'm not for that.”

However, Biden embraced a “public option” that would allow people to buy into or be subsidized into "a Medicare-like" plan. It is unclear how similar the public option would be to regular Medicare coverage, but the Biden campaign has made it clear that it would not take funds from the Medicare trust fund, which is expected to start losing funds by 2026.

The more than 150 million Americans who have employer-sponsored insurance could keep it, but they could still buy into the public option if they wanted to. In addition, the public option would automatically enroll — at no cost to them — some 4.8 million low-income Americans who were excluded from the ACA’s Medicaid expansion when many states chose to opt out of the Medicaid expansion.

In addition, the 37 states that participate in expanded Medicaid could switch coverage to the new public option, provided that they continue to pay their current share of the costs. (In June, Oklahoma became the 37th state to allow the expansion, following the results of a ballot measure.)

“We need a public option now more than ever, especially when more than 20 million people are unemployed,” Biden said in the June speech. “That public option will allow every American, regardless of their employment status, the choice to get a Medicare-like plan.”

**Lower the Medicare Age**

In spring 2020, Biden proposed lowering the age to qualify for Medicare from 65 to 60. This provision is not included among the official policies listed on the Biden for President website, but it has been cited by many, including the Biden-Sanders Unity Task Force.

This provision would bring almost 23 million people into Medicare, including 13.4 million from employer-sponsored coverage, according to one analysis. It's not clear whether these people would buy into Medicare or simply be covered. Their care would not be paid for by the Medicare Trust Fund but would use tax dollars instead.

**Provide Relief in the Covid-19 Pandemic**

Biden would cover the cost of COVID-19 testing and the cost of health coverage for people laid off during the pandemic.

“Testing unequivocally saves lives, and widespread testing is the key to opening our economy again,” Biden said in his June speech. “To fix the economy, we have to get control over the virus.”

**Prescription Drug Reform**

Biden would repeal a Bush-era exception that bars the Medicare program from negotiating prescription drug prices for the Part D prescription drug benefit. “There’s no justification for this except the power of prescription drug lobbying,” the Biden for President website states.

In addition Biden's prescription drug reform plan would do the following:

• Limit launch prices for drugs. The administration would establish an independent review board that would assess the value of new drugs and would have the power to set limits on their prices. Such drugs are “being abusively priced by manufacturers,” the Biden for President site says.
• Limit price increases to inflation. As a condition of participation in government programs, drug prices could not rise more than the general inflation rate. Biden would impose a tax penalty on drugmakers whose prices surpassed inflation.

• Allow consumers to buy prescription drugs from other countries. Biden would allow consumers to import prescription drugs from other countries, provided the US Department of Health and Human Services certifies that those drugs are safe.

• Stop tax breaks for pharma ads: Biden would drop drugmakers’ tax breaks for advertising, which amounted to $6 billion in 2016.

Stop Surprise Billing
Biden proposes to stop surprise billing, which occurs when patients receive care from a doctor or hospital that is not in their insurer's network. In these situations, patients can be surprised with very high bills because no payment limit has been negotiated by the insurer.

Twenty-eight states have enacted consumer protections to address surprise medical billing, but Congress has not passed such a measure. One proposed solution is to require payers to pay for out-of-network services on the basis of a benchmark, such as the average Medicare rate for that service in a specific geographic area.

Closely Monitor Healthcare Mergers
Biden would take a more active stance in enforcing antitrust laws against mergers in the healthcare industry.

“The concentration of market power in the hands of a few corporations is occurring throughout our health care system, and this lack of competition is driving up prices for consumers,” the Biden for President website states.

Overhaul Long-term Care
Biden’s latest plan calls for a $775 billion overhaul of the nation's caregiving infrastructure. Biden says he would help create new jobs, improve working conditions, and invest in new models of long-term care outside of traditional nursing homes.

Restore Funding for Planned Parenthood
Biden would reissue guidance barring states from refusing Medicaid funding for Planned Parenthood and other providers that refer for abortions or that provide related information, according to the Biden for President website. This action would reverse a Trump administration rule.

Boost Community Health Centers
Biden promises to double federal funding for community health centers, such as federally qualified health centers, that provide care to underserved populations.

Support Mental Health Parity
Biden says he supports mental health parity and would enforce the federal mental health parity law and expand funding for mental health services.

Part 2: Physicians’ Opinions on Biden's Healthcare Plans: Pro and Con

Biden’s plans to expand coverage are at the heart of his healthcare platform, and many see these as the most controversial part of his legislative agenda.

Biden's Medicare expansion is not Medicare for All, but it can be seen as “Medicare for all who want it.” Potentially, millions of people could enter Medicare or something like Medicare. If the Medicare eligibility age is dropped to 60, people could switch from their employer-sponsored plans, many of which
have high deductibles. In addition, poor people who have no coverage because their states opted out of the Medicaid expansion would be included.

The possibility of such a mass movement to government-run healthcare alarms many people. “Biden's proposals look moderate, but it is basically Medicare for All in sheep’s clothing,” said Cesar De Leon, DO, a family physician in Naples, Florida, and past president of the county’s medical society.

Reimbursements for Doctors Could Fall
A shift of millions of people into Medicare would likely mean lower reimbursements for doctors. For example, the 13.4 million people aged 60 to 65 who would switch from employer-sponsored coverage to Medicare would be leaving some of the best-paying insurance plans, and their physicians would then be reimbursed at Medicare rates.

“Biden’s plan would lower payments to already cash-strapped doctors and hospitals, who have already seen a significant decrease in reimbursement over the past decade,” De Leon said. “He is trying to win the support of low-income voters by giving them lower healthcare prices, which doctors and hospitals would have to absorb.”

“Yes, the US healthcare system is dysfunctional,” De Leon added, “but the basic system needs to be fixed before it is expanded to new groups of people.”

The American Association of Neurological Surgeons/Congress of Neurological Surgeons warns against Biden’s proposed government-run system. “We support expanding health insurance coverage, but the expansion should build on the existing employer-based system,” said Katie O. Orrico, director of the group's Washington office. “We have consistently opposed a public option or Medicare for All.”

“Shifting more Americans into government-sponsored healthcare will inevitably result in lower payments for physicians’ services,” Orrico added. “Reimbursement rates from Medicare, Medicaid, and many ACA exchange plans already do not adequately cover the costs of running a medical practice.”

Prospect of Higher Taxes
Paying for ambitious reforms means raising taxes. Biden’s plan would not make the Medicare trust fund pay for the expansions and would to some extent rely on payments from new beneficiaries. However, many new beneficiaries, such as people older than 60 and the poor, would be covered by tax dollars.

Altogether, Biden's plan is expected to cost the federal government $800 billion over the next 10 years. To pay for it, Biden proposes reversing President Trump's tax cuts, which disproportionately helped high earners, and eliminating capital gains tax loopholes for the wealthy.

“Rather than tax the average American, the Democrats will try to redistribute wealth,” De Leon said.

“The elephant in the room is that taxes would have to be raised to pay for all these programs,” said Gary Price, MD, president of the Physicians Foundation. Because no one likes higher taxes, he says, architects of the Biden plan would try to find ways to save money, such as tamping down reimbursements for physicians, to try to avoid a public backlash against the reforms.

“Physicians’ great fear is that efforts to keep taxes from getting too high will result in cutting physician reimbursement,” he said.

Impact of COVID-19
Perhaps an even larger barrier to Biden’s health reforms comes from the COVID-19 crisis, which didn’t exist last year, when health reform was the central issue in the presidential primary that pitted Biden against Vermont Senator Bernie Sanders, the chief proponent of Medicare for All.

“The top two issues on voters’ minds right now are the pandemic and the economy,” said Daniel Derksen, MD, a family physician who is professor of public health policy at the University of Arizona in Tucson. “Any other concerns are pushed down the list.”
The COVID-19 crisis is forcing the federal government to spend trillions of dollars to help businesses and individuals who have lost income because of the crisis. Will there be enough money left over to fund an ambitious set of health reforms?

“It’s not a good time to start reforms,” warned Kevin Campbell, MD, a cardiologist in Raleigh, North Carolina. “Given the current pressures that COVID-19 has placed on physicians, healthcare systems, and hospitals, I don’t believe that we can achieve meaningful change in the near term.”

However, supporters of Biden’s reforms think that now, during the COVID-19 crisis, is precisely the right time to enact healthcare reform. When millions of Americans lost their jobs because of the pandemic, they also lost their insurance coverage.

“COVID-19 has made Biden’s healthcare agenda all the more relevant and necessary,” said Don Berwick, MD, who led the Center for Medicare & Medicaid Services (CMS) under President Obama. “The COVID-19 recession has made people more aware of how vulnerable their coverage is.”

Orrico at the neurosurgeons group acknowledges this point. “The COVID-19 pandemic has exposed some cracks in the US healthcare system,” she said. “Whether this will lead to new reforms is hard to say, but policymakers will likely take a closer look at issues related to unemployment, health insurance coverage, and healthcare costs due to the COVID-19 emergency.”

**Many Physicians Want Major Reform**

Although many doctors are skeptical of reform, others are impatient for reform to come and support Biden's agenda — especially its goal to expand coverage.

“Joe Biden's goal is to get everyone covered,” said Alice Chen, MD, an internist who is a leader of Doctors for Biden, an independent group that is not part of the Biden campaign. “What brings Democrats together is that they are united in the belief that healthcare is a right.”

In January, the American College of Physicians (ACP) endorsed both Medicare for All and the public option. The US healthcare system “is ill and needs a bold new prescription,” the ACP stated.

The medical profession, once mostly Republican, now has more Democrats. In 2016, 35% of physicians identified themselves as Democrats, 27% as Republicans, and 36% as independents.

Many of the doctors behind reform appear to be younger physicians who are employed by large organizations. They are passionate about reforming the healthcare system, and as employees of large organizations, they would not be directly affected if reimbursements fell to Medicare levels — although their institutions might subsequently have to adjust their salaries downward.

Chen, for example, is a young physician who says she has taken leave from her work as adjunct assistant clinical professor of medicine at the University of California, Los Angeles, to raise her young children. She is the former executive director of Doctors for America, a movement of thousands of physicians and medical students “to bring their patients’ experiences to policymakers.”

“Doctors feel that they are unseen and unheard, that they often feel frankly used by large health systems and by insurance companies,” Chen said. “Biden wants to hear from them.”

Many idealistic young physicians look to health system leaders like Berwick. “I believe this nation needs to get universal coverage as fast as we can, and Biden’s policies present a path to get there,” the former CMS director said. “His would be done chiefly through Biden’s public option and his plans to expand coverage in states that have not adopted the ACA Medicaid expansion.”

But what about the potential effect of lowering reimbursement rates for doctors? “The exact rates will have to be worked out,” Berwick said, “but it’s not just about who pays physicians, it’s about how physicians get paid.” He thinks the current fee-for-service system needs to be replaced by a value-based payment system such as capitation, shared savings, and bundled payments.
The Biden-Sanders Task Force

Berwick was a member of the Biden-Sanders Unity Task Force, which brings together supporters of Biden and Sanders to create a shared platform for the Biden campaign.

Is the Nation Ready for Another Health Reform Battle?

Clearly, many Democrats are ready to reform the system, but is the nation ready? “Are American voters ready for another major, Democratic-led health reform initiative?” asked Patricia Salber, MD, an internist and healthcare consultant who runs a blog called The Doctor Weighs In.

“I’ve been around long enough to remember the fight over President Clinton’s health plan and then President Obama’s plan,” she said. Each time, she says, there seemed to be a great deal of momentum, and then there was a backlash. “If Biden is elected, I hope we don't have to go through the same thing all over again,” Salber said.

Derksen believes Biden’s proposed healthcare reforms could come close to rivaling President Obama’s Affordable Care Act in ambition, cost, and controversy.

He shares Biden’s goal of extending coverage to all — including paying the cost of covering low-income people. But the result is that “Biden's agenda is going to be a ‘heavy lift,’ as they say in Washington,” he said. “He has some very ambitious plans to expand access to care.”

Derksen speaks from experience. He helped draft part of the ACA as a health policy fellow in Capitol Hill in 2009. Then in 2011, he was in charge of setting up the ACA’s insurance marketplace for the state of New Mexico.

Now Biden wants to begin a second wave of health reform. But Derksen thinks this second wave of reform could encounter opposition as formidable as those Obama faced.

“Assuming that Biden is elected, it would be tough to get this agenda passed — even if he had solid Democratic majorities in both the House and Senate,” said Derksen.

According to polls by the Kaiser Family Foundation (KFF), 53% of Americans like the ACA, while 37% dislike it — a split that has been relatively stable for the past 2 years, since the failed GOP effort to repeal the law.

In that KFF poll, the public option fared better — 68% of Americans support the public option, including 42% of Republicans. These numbers help explain why the Biden campaign moved beyond its support of the ACA to embrace the public option as well.

Even when Democrats gain control of all the levers of power, as they did in 2009, they still have a very difficult time passing an ambitious healthcare reform bill. Derksen remembers how tough it was to get that massive bill through Congress.

The House bill’s public option might have prevailed in a reconciliation process between the two bills, but that process was cut short when Sen. Ted Kennedy died and Senate Democrats lost their filibuster-proof majority. The bill squeaked through as the Senate version, without the public option.

The ACA Has Survived

The ACA is much more complex piece of legislation than the public option.

“The ACA has survived for a decade, despite all efforts to dismantle it,” Salber said. “Biden wants to restore a law that the Republicans have been chipping away at. The Republicans eliminated the penalty for not having coverage. Think about it, a penalty of zero is not much of a deterrent.”

It was the loss of the ACA penalty in tax year 2019 that, paradoxically, formed the legal basis for the latest challenge of the ACA before the Supreme Court, in a suit brought by the Trump administration and 18 Republican state attorneys general.
The Supreme Court will make its ruling after the election, but Salber thinks the suit itself will boost both Biden and the ACA in the campaign. “I think most people are tired of all the attempts to repeal the ACA,” she said.

“The public now thinks of the US healthcare system as pathetically broken,” she added. “It used to be that Americans would say we have the best healthcare system in the world. I don’t hear that much anymore.”

Physicians who oppose the ACA hold exactly the opposite view. “Our healthcare system is in a shambles after the Obamacare fiasco,” Campbell said. “Even if Biden has a Democrat-controlled House and Senate, I still don’t think that there would be enough votes to pass sweeping changes to healthcare.”

**Biden Could Choose Issues Other Than Expanding Access**

There are plenty of proposals in the Biden healthcare plan that don’t involve remaking the healthcare system.

These include making COVID-19 testing free, providing extra funding for community health centers, and stopping surprise billing. Proposals such as stepping up antitrust enforcement against mergers would involve administrative rather than Congressional action.

Some of these other proposals could be quite expensive, such as overhauling long-term care and paying for health insurance for laid-off workers. And another proposal — limiting the prices of pharmaceuticals — could be almost as contentious as expanding coverage.

“This proposal has been talked about for many years, but it has always met with strong resistance from drugmakers,” said Robert Pearl, MD, former CEO of the Permanente Medical Group and now a faculty member at Stanford School of Medicine and Graduate School of Business.

Pearl thinks the first item in Biden's drug plan — to repeal a ban against Medicare negotiating drug prices with drugmakers — would meet with Congressional resistance, owing to heavy lobbying and campaign contributions by the drug companies.

In addition, Pearl thinks Biden's plans to limit drug prices — barring drugmakers from raising their prices above the general inflation rate and limiting the launch prices for many drugs — enter uncharted legal waters and could end up in the courts.

**Even Without Reform, Expect Lower Reimbursements**

Although many doctors are concerned that Biden's healthcare reforms would reduce reimbursements, Pearl thinks reimbursements will decline even without reforms, owing in part to the COVID-19 pandemic.

Employer-based health insurance has been the bedrock of the US healthcare system, but Pearl says many employers have long wanted to get rid of this obligation. Increasingly, they are pushing costs onto the employee by raising deductibles and through premium sharing.

Now, with the pandemic, employers are struggling just to stay in business, and health insurance has truly become a financial burden, he says. In addition, states will be unable to balance their budgets and will try to reduce their Medicaid obligations.

“Before COVID-19 hit, healthcare spending was supposed to grow by 5% a year, but that won't happen for some time into the future,” Pearl said. “The COVID economic crisis is likely to continue for quite some time, forcing physicians to either accept much lower payments or find better ways to provide care.”

Like Berwick, Pearl believes healthcare will have to move to value-based payments. “Instead of producing more services, doctors will have to preserve resources, which is value-based healthcare,” he said. The primary form of value-based reimbursement, Pearl thinks, will be capitation, in which physicians agree to quality and service guarantees.
Even steadfast opponents of many of Biden's reforms foresee value-based payments taking off. “Certainly, there are ways to improve the current healthcare system, such as moving to value-based care,” said Orrico at the neurosurgeons group.

In short, a wide swath of observers agree that doctors are facing major changes in the payment and delivery of healthcare, regardless of whether Biden is elected and succeeds with his health agenda.