The Turbulent Path of Health Care Reform Over the Past 25 Years

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While organized medicine has been involved in our health care delivery system for many years, the era of "modern" health care reform began in the early 1990s.

Recurring themes of affordability, universal access, role of government, and role of marketplace and insurance industry persist through each new iteration. And underlying examples of large programs in the Veterans Administration and Medicare are increasingly used by advocates of a "single-payer system." However, such large-scale proposals have been opposed by so many politicians as a "government takeover of health care" that they have never been politically feasible.

President Clinton's 1990s health reform efforts can be summarized with the concept of "managed competition" through which government regulation would place controls on various aspects of the health insurance industry yet still enable competition in the marketplace. Despite initial enthusiasm and public support for his ideas, the insurance industry through its "Harry & Louise" advertising campaign reversed this tide. The Clinton administration's efforts to design its program behind closed doors did not help attract support from much of organized medicine or from the health insurance industry. The Health Security Act failed to develop adequate support and died in Congress in late 1994. Then the insurance industry, without significant government regulation, created managed care plans in an effort to control spending and increase profit margins. As a result, the insurance industry did well financially, overall spending on health care grew, and access for those who did not have employer-sponsored insurance became increasingly challenging.

Since the insurance industry was not significantly regulated by the government, patients had no adequate recourse when they were denied care or coverage that was suggested by their physicians. Patients felt they were increasingly powerless and needed a "patients' bill of rights." Various iterations of legislation to address this were proposed through the late 1990s but were never passed by Congress. Overall spending on health care continued to escalate. Many attributed these rising costs to the fact that so much of the cost of health care was being handled by employers and was not yet being borne by individuals.

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In the late 1990s, several important events occurred that created focal points of attention for organized medicine around safety/quality and Medicare payments. These factors were the initial sparks for a renewed ground-

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swell of attention for health care system reform. While the public was unhappy with excessive insurance industry control of health care, the fact remained that the insurers (and employers or government) were paying the bulk of the expense. Then the Institute of Medicine's landmark report in 1999, *To Err is Human,* brought great public and regulatory/government attention to issues of safety and quality of health care. The patient safety movement had been developing through the 1990s, and improved technology enabled greater reporting and new recognition of system deficiencies. This was accompanied soon after by greater attention to quality, addressed in detail by the 2001 Institute of Medicine report, *Crossing the Quality Chasm*. All payers (commercial insurers, government agencies, and individuals) developed concerns that the health care they had seen steadily increasing in price was not necessarily as safe or as high quality as one would expect. Over the next decade, regulation of safety and measurement of quality became driving forces for changes in the health care delivery system.

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Financing of health care was greatly affected by the Balanced Budget Act of 1997 in which an attempt to control increasing Medicare spending introduced the sustainable growth rate formula (SGR). This law placed into statute a formula that made yearly increases in the Medicare physician fee schedule conversion rate dependent upon previous year global Medicare spending. As a result, the SGR formula mandated Medicare fee schedules to be decreased every year after that. Hence, organized medicine spent significant advocacy time and energy convincing legislators to pass yearly legislation that temporarily postponed any such mandated Medicare physician fee schedule cuts. But such budgetary games and delays could not continue forever.

Large-scale reform of the health care system was not on the agenda during President George W. Bush's term. However, increasing problems with accessibility and affordability made health care once again a large topic in the 2008 election.

After a prolonged two-year process of hearings and input from multiple Congressional committees, and with support from much of organized medicine as well as the insurance industry, President Obama enacted the Patient Protection and Affordable Care Act (PPACA) in 2010. Politically contentious and without support from the opposition party, it created a system of state-wide exchanges through which individuals would be able to buy health insurance that met a standardized essential benefit plan with the hope that marketplace competition from different insurers would make these plans more affordable. The PPACA contained a mandate that all individuals had to buy health insurance either through their employer or through individual purchase on these state-level exchanges. Differential individual insurance rates based upon pre-existing conditions were eliminated, and dependents had to be allowed coverage under their parents until age 26.

Though the PPACA was broad reaching for the individual insurance market with some effects on the large market of employer-sponsored commercial insurance too, it really did not have an impact directly on Medicare. Therefore, the issues with the SGR formula and threats of decreasing Medicare fee schedules continued on a yearly basis. In bipartisan fashion Congress incorporated quality measurement and value delivery into Medicare with comprehensive reform via the Medicare Access and CHIP Reauthorization Act (MACRA), which enticed organized medicine's support by wrapping in elimination of the SGR formula. While it was another comprehensive and contentious piece of legislation, MACRA had bipartisan support and was signed into law by President Obama in 2015.

These two pieces of legislation have influenced the way health care delivery is organized. Electronic medical records have become important tools to help track quality metrics and track safety, but have too frequently become distracting in patient-doctor interactions and have led to frustration and dissatisfaction among doctors and patients alike. Using such powerful technologies appropriately and effectively is a great challenge moving forward. Between MACRA and the PPACA, government regulation plays an increasingly large role in health care delivery.

With the new Republican administration in 2017, there have been repeated efforts to "repeal and replace" the PPACA ("Obamacare"). However, these have all failed as the American public and just enough Senators have found replacement legislation would eliminate insurance from many millions who were able to get insured after the 2010 law. While it is widely accepted that the PPACA legislation needs some fixes, its significant impact on the health care delivery system and related aspects of the economy and the insurance industry have made repeal a great challenge with many large ramifications to consider.

Yet, many feel the PPACA still falls far short of adequately providing universal affordable and accessible health care. Hence, consideration for single-payer reform is becoming a greater force within the Democratic Party. Senator Bernie Sanders made this a major issue during the Democratic presidential primaries in 2016, and the momentum for such broad scale "Medicare for All" has continued to build through 2017.

Organized medicine has as important a role as ever in protecting and representing the interests of our patients and our physicians in this challenging environment. There is no doubt that the contentious PPACA legislation and ongoing efforts to "repeal and replace" will promise to keep health care delivery system reform in the center of political and philosophical debates.