



News Notes

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HEALTH CARE POLICY: TO THE 2020 ELECTION AND BEYOND (OCTOBER 13, 2020)

COVID-19 has shone a light on the importance of health and vitality, with employers in a better position than the government to improve the health of their employees,” said Scott Wham, JD, Director of Compliance and Innovation, Kistler Tiffany Benefits. Wham, who serves in a voluntary role as the legislative chair of the National Association of Health Underwriters (NAHU), also discussed the upcoming election during the October 13th LVBCH webinar, Health Care Policy: To the 2020 Election & Beyond.

Relatively healthy countries, like Sweden, could risk experimenting with herd immunity, unlike the United States with high obesity rates and high percentages of chronic conditions. Herd immunity occurs when enough people become immune to a disease, reducing spread. “If I were to open a Lehigh Valley manufacturing business, and say, ‘we’re going to go for herd immunity,’ it would be a blood bath,” Wham said. In fact, the Centers for Disease Prevention and Control (CDC) released a report indicating that 94% of COVID-related deaths were in individuals with chronic conditions. While the report comforted many people, Wham was alarmed because most Americans have a chronic condition.

The US should shift its focus from treatment to prevention. Social determinants of health, such as the availability of affordable housing and access to nutritious food and safe places for recreation, have a major impact on health. To improve the health status of Americans, we need an overarching strategy. Other countries spend much less on health claims because they significantly invest in improving the health of their citizens. Employers can make it easier for employees to be healthier by providing programs and benefits that support health - the importance of which has been demonstrated during the pandemic. “I want to pay for things that enables people to live well, long into life,” Wham said.

Related to COVID, the decision on whether a worksite is safe is ultimately a clinical one. On the state level, the Pennsylvania legislature could use taxpayer dollars to provide small businesses, who can’t afford a medical director, with access to clinical resources. “We think that is a good investment right now,” said Wham. The decision to have employees on site should depend on the type of work, size of space, and ventilation, and should address how employees enter and exit and the number and location of bathrooms, and the consultation of a medical professional. Wham also suggested that employers confer with their property and casualty insurer who can help assess risk. On a national level, representatives in Washington, DC are negotiating the next stimulus bill. Democrats want to have the government pay for COBRA costs for employees who lose their jobs while Republicans want to limit business owners’ liability related to COVID.

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Wham also discussed the upcoming election and said we should expect the Democrats have a big year. According to polls, former Vice President Joe Biden is predicted to win the presidency. However, Wham added that over the past four years, we've learned not to count President Donald Trump out - there's a slim margin between a Biden landside and a Trump electoral college victory. Conceivably, Biden could get 7 million more popular votes with Trump still winning the electoral college. If Trump wins his first task may be mitigating the impact if the Supreme Court strikes down the Affordable Care Act (ACA). The Republicans have been trying to overturn the ACA for 10 years without a plan to replace it. Alternatively, Trump has a prescription drug pricing strategy which resonates with the public, allowing importation of drugs from Canada, requiring prices in TV ads, and reforming rebates. Price fixing mechanisms, such as favored nation pricing, while attractive, could result in a lot of Americans losing their jobs. Trump also supports outlawing surprise billing. Meanwhile, Biden favors allowing Medicare to negotiate prescription drug pricing and prohibiting surprise billing. He supports expanding and amending the ACA to improve functionality, creating a public option, changing Medicare eligibility to age 60, and reestablishing an individual mandate. Regardless of who is elected president, control of the Senate will continue to impact health care policy. Finally, "the electorate might demand some form of a single payer", Wham said, "I believe that would be a catastrophic miscalculation in overall health policy for our country,"

Other things to watch for are cost shifting moves by health providers to make up for the loss of revenue from elective procedures. Wham is also watching the development of Haven Healthcare, a not-for-profit joint venture of Amazon, Berkshire Hathaway and JP Morgan Chase to create simpler, high-quality health care at lower costs. Haven has the potential of being a game-changing venture that would provide free healthcare in exchange for access to an individual's personal data, which is worth a fortune.

ABOUT SCOTT WHAM:



Scott Wham is Director of Compliance Services at Kistler Tiffany Benefits and provides guidance pertaining to PPACA, ERISA, HIPAA, and IRS Code. He serves on the Board of Directors for the Greater Philadelphia Association of Health Underwriters and the Pennsylvania Association of Health Underwriters where he is tasked with coordinating lobbying efforts on behalf of the region's health insurance industry. He serves on the National Association of Health Underwriters' Legislative Council, where he will serve as Chair in 2020, and regularly works with legislators and regulators to advance national health care policy. He is a nationally recognized speaker on health policy and served as an adjunct lecturer at Villanova University. He completed a Population Health Management program from Thomas Jefferson University's Jefferson College of Population Health, received his J.D. from Villanova University School of Law, and has a BA in Political Science from Johns Hopkins University.

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