



## What do President-Elect Trump's HHS and CMS picks mean for health care reform?

November 29, 2016

The transition team of President-Elect Donald J. Trump announced earlier today that Trump has selected Representative Tom Price to be the Secretary of the Department of Health and Human Services (HHS) and Seema Verma to be the Administrator of the Centers for Medicare and Medicaid Services (CMS). These selections signal that the new administration is likely to move forward with sweeping changes to the Affordable Care Act (ACA).

Rep. Price, a Georgia Republican, is an orthopedic surgeon who currently sits on the health subcommittee of the House Ways and Means Committee. While nearly all Congressional republicans have been staunch critics of the ACA since its enactment, Rep. Price was one of the first to draft a replacement plan, which he called the "Empowering Patients First Act" (EPFA). As Rep. Price will now be part of the new administration's health care team, it is possible that some elements of the EPFA will make their way into legislation intended to replace the ACA.

The previously-proposed EPFA would repeal the ACA. Further, under the EPFA, every American who purchases individual health insurance would receive an age-adjusted, universal tax credit. The EPFA would also allow individuals to opt out of Medicare benefits and, instead, receive tax credits to purchase individual health plans.

The guaranteed issue, community rating and annual open enrollment features of the ACA would be eliminated under the EPFA, which would restore the responsibility for much health insurance regulation to the states. The EPFA also includes reforms aimed at reducing the number of medical malpractice lawsuits.

Many of the proposals set forth in the EPFA have also been supported by Trump, increasing the likelihood that they could be included in the new administration's health care reform legislation. The final legislation will likely also include elements of proposals issued by other Congressional Republicans, such as Speaker Paul Ryan. Rep. Price has expressed his support for various aspects of Speaker Ryan's proposed legislation.

Ms. Verma is a consultant who previously worked with Vice President-Elect Mike Pence on Indiana's Medicaid program. Specifically, Verma assisted Pence with the creation of "Health Indiana 2.0," a Medicaid program that requires beneficiaries to make monthly contributions to health savings accounts. Her selection could signal the administration's interest in encouraging other states to implement similar Medicaid reforms.

We will continue to closely monitor the new administration's health care reform efforts and will publish additional information as it becomes available.

# Authors

---

Copyright © 2023 Bricker & Eckler LLP. All rights reserved.