Republican-Controlled Senate Considers Health-Law Changes

Outright Repeal Is Unappealing to Voters

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The Republican Party's drive to repeal the Affordable Care Act will continue to stall despite the Republican takeover of the Senate, prompting party leaders to instead concentrate on peeling back unpopular bits of the law.

Republican lawmakers and strategists signaled Wednesday that a simple message of repealing President <u>Barack</u>

<u>Obama</u> 's 2010 health law won't be enough to appeal to voters. Polls show a majority of Americans oppose the law, but still don't want it repealed and prefer lawmakers fix it instead.

"It is no secret that every one of my members thinks that Obamacare was a huge legislative mistake," Sen. Mitch McConnell of Kentucky, who is expected to lead the majority, said Wednesday. "If I had the ability ... obviously, I'd get rid of it.

But with Mr. Obama sure to block any repeal bill passed in the Senate and Republican-controlled House, Mr. McConnell indicated that Senate Republicans will turn their attention to peeling back "pieces of it that are deeply, deeply unpopular with the American people."

He cited the law's tax on medical devices, its requirement that big employers provide insurance to all workers clocking 30 hours a week or more or pay a fee, and its mandate that most Americans carry insurance or pay a fee.

Mr. Obama on Wednesday said the law's individual mandate was too critical to bringing healthy people into the insurance market to consider scratching it. He demurred when asked about the medical-device tax but said he is open to hearing Republicans' ideas about improving the law.

"The law is working," he said, noting that it has extended health insurance to millions of Americans. "That doesn't mean it can't be improved."

Senate Republicans said Wednesday they would still hold a vote to repeal the law to show voters they support eliminating it. "Then we have to look at OK, what can we do? What parts of this thing can we take apart?" asked Sen. John Thune of South Dakota, chairman of the Senate Republican Conference.

"Democrats will work with Republicans if it's in a constructive manner to improve the Affordable Care Act," said Sen. Ben Cardin (D., Md.) "If it's done in a responsible way, we can ... deal with the problems of where you draw lines on coverage and mandates."

One challenging facing the Republican-controlled Senate is that years of discussions over a viable alternative to the health law haven't yielded a widely supported replacement.

"You need to bring something credible or you're open to criticism," said Christopher Condeluci, a Republican aide on the Senate Finance Committee during the drafting of the health law who is now principal at CC Law & Policy PLLC.

Washington lobbyists have begun drawing up new plans to boost the chances of removing particular provisions of the health law.

Matt Haller, a spokesman for the International Franchise Association, said the employer trade group was confident that changing the law's definition of a worker who must be provided insurance coverage was one of the "top priorities" for the party after Republican Sens. McConnell, Marco Rubio of Florida and Rob Portman of Ohio all highlighted it. Tweaking the definition of a full-time worker to one clocking a 40-hour week had a broad coalition of support from employers, he said.

Mr. Haller's group has pursued Democratic supporters for the change for months, and now plans to focus its efforts on grassroots lobbying in the home states of Sen. Chris Coons of Delaware and Maine's Sen. Angus King, an independent who caucuses with Democrats. It is also looking at Sen. Mark Warner of Virginia, whose re-election still hangs in the balance.

"The political environment has shifted so dramatically that it may now be more advantageous for Democrats sitting on the sidelines to take a fresh look at the problems Obamacare is causing for small businesses," Mr. Haller said.

The health law's funding comes in part from a tax on medical device revenue that is projected to raise \$30 billion in a decade. Some Democrats have worried that rolling back the device tax will lead to similar demands by other health-care industries that help pay for the law.

But repeal of the tax has drawn significant support in the past from Democratic lawmakers, especially in states where the industry is prominent, such as Minnesota and Massachusetts.

The Advanced Medical Technology Association, an trade group for the medical-device industry, said Wednesday it would continue to argue the tax hurts U.S. jobs and innovation.

Another possible health-policy target for the Republican Party is the Independent Payment Advisory Board, a mechanism to help lower Medicare spending. Republicans have attacked the 15-member board as a panel that will dictate treatments and lead to denial of some care.

At the moment, the board is nonexistent, because the White House hasn't nominated anyone for it, and Republicans have explicitly refused to make recommendations. An effort to overturn the provision would face complications, said Len Nichols, a health-policy professor at George Mason University, in part because it could open Republican lawmakers up to criticism that they aren't serious about controlling Medicare spending.

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