

# PRINCETON CONFERENCE 2020

## WHAT THE 2020 ELECTION MEANS FOR THE NATION & HEALTH POLICY

*A Divided Country Produces Divided Government at a Moment of Unprecedented Change and a Still-Raging Pandemic*

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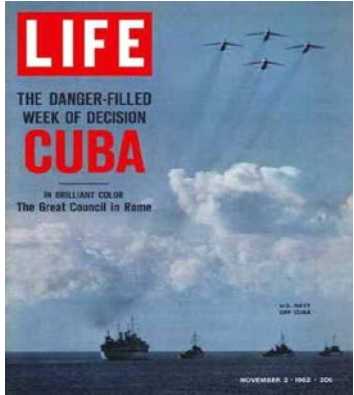


**2020 ELECTION  
TAKEAWAYS**

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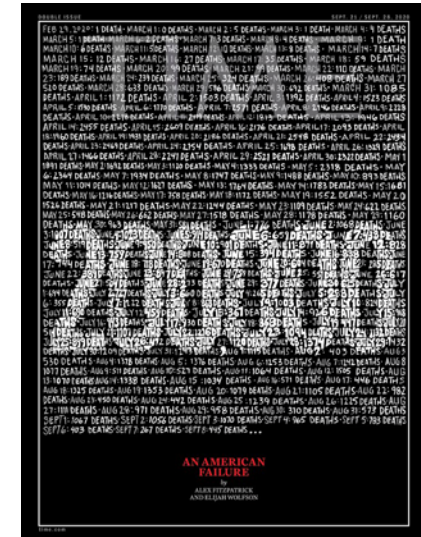
# ADMINISTRATION'S POOR PANDEMIC RESPONSE SUNK THE PRESIDENT

## Crises Define Leaders



**55%** disapproved  
of President Trump's handling of the  
coronavirus (47% strongly)

**83%** said the federal government's  
response to the coronavirus was an  
**important factor**  
in their vote (**39%** single most important factor)



# BUT....THERE'S A SIGNAL IN THE NOISE: MIND THE DISRUPTION

***Why Did >72M Americans Vote to Reelect Donald Trump?***  
*(Most are not deplorable racists brainwashed by Fox News & Facebook friends)*



## **Concern that Globalization Harms > Helps**

*Many Americans bemoan the “hollowing out of the middle class” as businesses outsourced >2M U.S. manufacturing jobs to China & low wage nations via “free trade”*



## **Fear the New Economy Is Leaving them Behind**

*Many Americans feel disrupted by the knowledge economy; they see their “fly-over states” getting left behind by the “super star” technology and investment elites on the Coasts*



## **Anger at “Political Correctness” / Elite Condescension**

*Many Americans feel under attack for being proud of their country & lifestyles (God, guns & football) and resent “elitist” condescension by the media and liberal politicians*

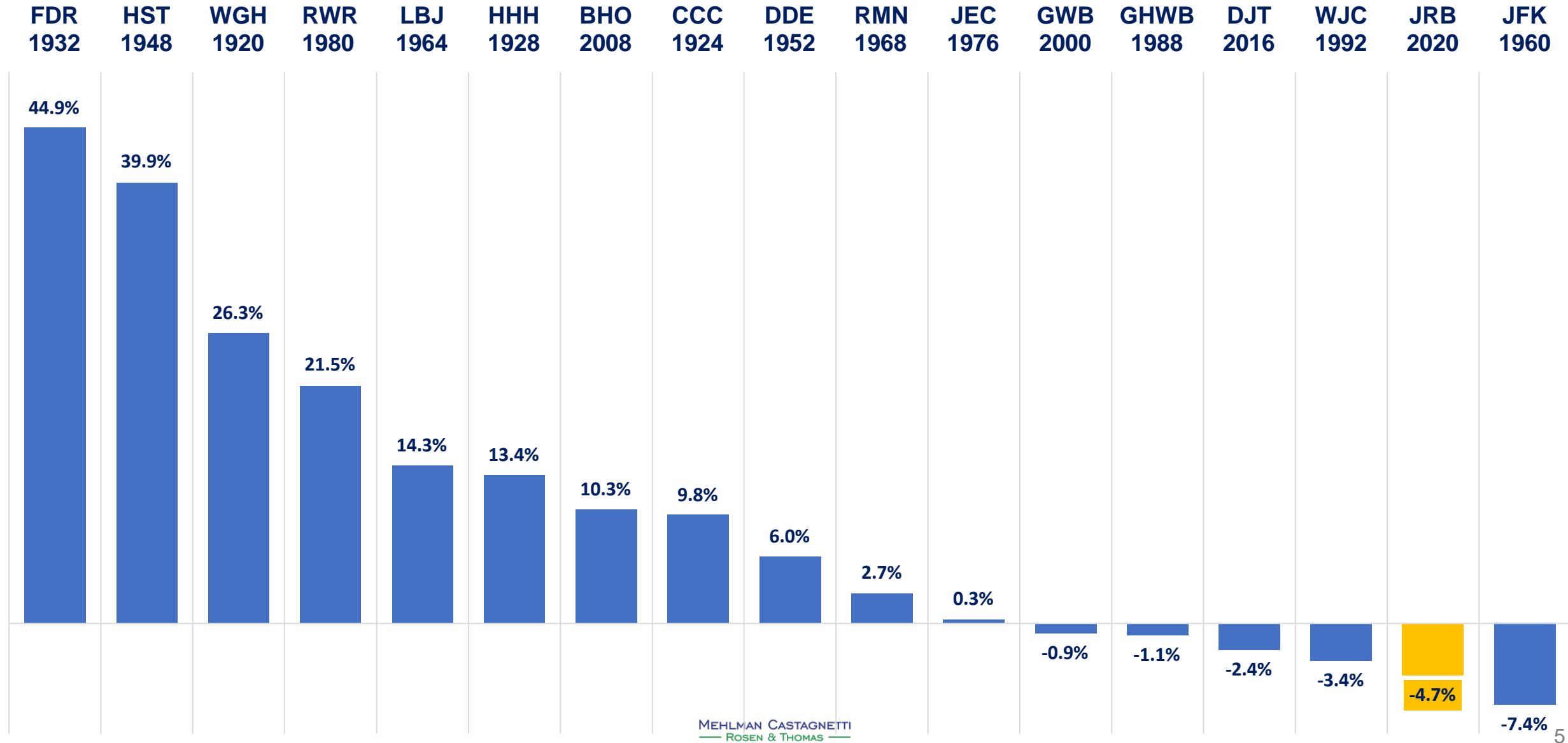


## **Profound Disagreement with “Socialism”**

*Many Americans strongly disagree with the policies offered by some on the Left (e.g. defunding the police, decriminalizing the border, ending fossil fuels, higher taxes)*

# BIDEN: WEAKEST HOUSE COATTAILS SINCE 1960

## Change in President's Party Share of House Seats at First Election



Source: Author's calculations assuming Dems lose net 11 in 2020 (NBC projection)

# IN POLITICS, DISRUPTION IS THE NEW NORMAL



## *Change in Control of House, Senate and/or White House*





# AN ELECTORATE, AND A NATION, DIVIDED

## According to Exit Polls....



### Gender

	Male 47%	Female 53%
 <b>Biden</b>	48%	<b>56%</b>
 <b>Trump</b>	<b>49%</b>	43%



### Geography

	Urban 30%	Suburbs 51%	Rural 20%
 <b>Biden</b>	<b>60%</b>	<b>51%</b>	45%
 <b>Trump</b>	37%	48%	<b>54%</b>

### Education (White Voters)

	College Grad 31%	No Degree 34%
 <b>Biden</b>	49%	35%
 <b>Trump</b>	49%	<b>64%</b>



### Race

	White 65%	Black 12%	Latino 13%	Asian 3%	Other 6%
 <b>Biden</b>	42%	<b>87%</b>	<b>66%</b>	<b>63%</b>	<b>58%</b>
 <b>Trump</b>	<b>57%</b>	12%	32%	31%	40%

# REPUBLICANS ARE FROM MARS, DEMS FROM VENUS

## *Even Our Priorities Divide Us*

### Most Important Issue to Voters

	Racial Inequality 20%	COVID-19 17%	Economy 35%	Crime/Safety 3%	Health Policy 6%
 <b>Biden</b>	<b>91%</b>	<b>82%</b>	17%	28%	<b>63%</b>
 <b>Trump</b>	8%	14%	<b>82%</b>	<b>71%</b>	36%





# HOW WILL DIVIDED GOVERNMENT GOVERN?

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# POSSIBILITIES AND CONSIDERATIONS

- Do-Nothing Redux
  - Biden likely 1<sup>st</sup> Dem President since Harry Truman to face GOP Senate in first 2 years and first since Grover Cleveland after winning election
  - McConnell & GOP will not only shape bills, but also judicial and executive branch appointments
- Let's Make a Deal
  - Biden, McConnell, Pelosi, Schumer have 154 years combined Washington experience
  - Biden-McConnell dealmaking-trust experience during Senate and Obama years
  - Moderates in both parties (e.g., Collins, Murkowski, Manchin, Sinema) could form powerful swing bloc in closely divided Senate
- Or Not...
  - McConnell must protect 20 Senate 2022 races in battlegrounds including FL, WI, PA, IA, NC, GA
  - 2024 Race starts ASAP, at least 5 GOP Senators eyeing White House
  - Schumer, also up, needs to make case that Dem control means progressive agenda succeeds
  - Pelosi has to hold smaller majority together
- Whither the Progressive Dem Legislative Agenda?
  - Green new deal, major infrastructure package, ACA improvements, Medicare expansion, Rx price negotiation, tax increases all likely dead for 2 years
  - Unless Dems run table in GA Senate races
- Expect Active Biden Executive Action
  - WHO, Paris Climate, travel ban, Dreamers, COVID task force, improve ACA, Medicaid access
- Future of the GOP and Democratic Parties
  - Without Trump, are Republicans still the party of Trump? But, note, Cleveland may be interesting precedent here as well, as only non-consecutive President
  - Progressive-Centrist Democratic battles delayed, or accelerated?



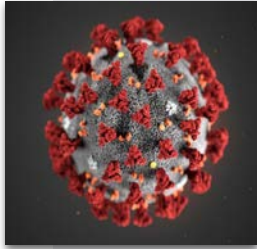
# HEALTH CARE AGENDA

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# WHAT WILL BIDEN ADMINISTRATION DO?

## Regulatory Action Contains Some Overlap with Trump, But Also Many Key Differences



### COVID-19

More robust, coordinated, federal public health response  
Empower scientific agencies (FDA, NIH, CDC)

- More control over PPE / supply chain (use DPA, BARDA, SNS to procure PPE / essential treatments, etc.)
- Seek funding for pub. health infrastructure/providers
- Extend Public Health Emergency through at least 2021



### AFFORDABLE CARE ACT

More generous SEP to expand coverage

- Reverse Trump STLD/AHP rules
- Resume enrollment/outreach
- Enhance premium tax credits by adjusting AV calculation, changing indexing, etc.
- Reinstate Obama Sec. 1557 antidiscrim. protections



### MEDICARE

Continue drive to value-based care

- Push forward with transparency (modifications likely)
- Less favorable MA reimbursement, regulatory climate
- More FFS provider scrutiny
- Pause and perhaps curtail Stark/AKS flexibility



### MEDICAID

Streamline enrollment

- Pause or modify MFAR, depending on Trump CMS final action
- Reverse public charge rule
  - Limit work requirements, other eligibility restrictions
  - Flexibility to states and MCOs to address SDOH
  - Possibly work with red states to expand coverage



### PRESCRIPTION DRUGS

Keep, but modify, Trump importation rules

- Defend Trump rules on DTC ad price disclosure
- Impose MFN in Medicare Part B, possibly Part D
- Protect the 340B Program



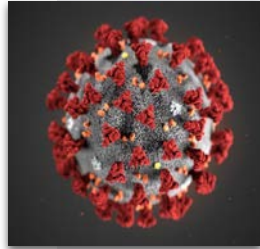
### TELEHEALTH/DIGITAL HEALTH

Continue Trump telehealth flexibility during COVID and likely beyond. But skepticism of audio-only and less trusting of private sector

- Push forward with interoperability/data blocking rules, perhaps with additional extension

# WHAT WILL CONGRESS DO?

## *If Election Results Hold, Ambitious Dem Plans on Coverage and Rx Pricing on Hold, But Plenty of Opportunities for Bipartisan Progress*



### COVID-19

May pass in 2020 lame duck session, but more likely in 2021

- New package likely with support for individuals, unemployment, highly-impacted industries, testing, and providers
- Fate of liability, provider relief, FMAP, state/federal relief uncertain



### AFFORDABLE CARE ACT

Legislation to improve subsidies, make technical changes unlikely unless SCOTUS scraps ACA

- Public option and Medicare expansion off table with GOP Senate
- Surprise billing fix likely



### HEALTH DISPARITIES / SOCIAL DETERMINANTS

Bipartisan support for maternal/child health, including Medicaid flexibility, possible Medicaid expansion

- More flexibility for MA and Medicaid MCOs and states to cover SDOH benefits
- Additional behavioral health, addiction reforms and funding likely



### HEALTH EXTENDERS / CONTINUING RESOLUTION

Medicaid, Medicare, Public Health extenders will happen by 12/11/2020 in lame duck



### PRESCRIPTION DRUGS

Government Price Negotiation DOA

- Possible low-hanging fruit including Orange and Purple Book reforms, other elements of 2019 Senate bill to prevent patent gaming



### TELEHEALTH

Support for expanding PHE waivers through at least 2022, possibly 2023

- Longer term Medicare originating site/geo restrictions could be lifted.
- Concern remains over cost, utilization, audio-only, reimbursement parity
- Privacy oversight continues

# FINAL RECOMMENDATIONS

- **Be Innovative.** Promote products and policy proposals that better your customers' lives, improve their health system experience, produce better health outcomes, and possibly lower costs.
- **Be Collaborative.** Partner with other system stakeholders, NGOs, local leaders, to develop and offer solutions.
- **Be Pragmatic.** Offer concrete assistance, detailed ideas that showcase your organization's unique capabilities with a focus on present COVID challenges.
- **Be Bipartisan.** Talk to both sides, even if they aren't talking to each other. Change elections and slim majorities likely the new normal. Most progress made with bipartisan buy-in and thwarted without bipartisan agreement.
- **Align Policy Issue Priorities with Corporate/Organizational Values.** Diversity, equity, mental health, coverage, etc.
- **Lead!** Employees, customers, investors, activists, media, AND policymakers looking for C-Suite/corporate leadership. They know government doesn't have all the solutions.

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