

Health Insurance Coverage in Florida and the Nation-- Will I be Covered Tomorrow?
Lynne Holt and Mary Galligan

The public policy issue of access to affordable health care is one example, among many, that proved to be very partisan in the 2016 presidential election campaign. For her part, Democratic Party nominee, Hillary Clinton, supported changes that built upon existing federal health programs. During his campaign, President-elect Donald Trump proposed the following: repealing the Affordable Care Act (ACA) and replacing it with Health Savings Accounts; enabling the sale of health insurance across state lines; allowing individuals to fully deduct health insurance premium payments from their tax returns; providing Medicaid funding to the states through block grants; and reducing regulation of drug companies and allowing individuals to buy pharmaceutical drugs from overseas companies. Since health care is an important issue to voters, President-elect Trump will need to tackle those issues in the context of a hyper-partisan Congress and citizenry.

What does health care mean to voters? Often, surveys and polls list health care as one of the potential issues of great importance to voters but provide no definition of “health care.” Therefore, voters can bring to such questions their own interpretations. In the context of the 2016 presidential campaign, “health care” may be interpreted as repealing the ACA, expanding or strengthening it, improving the quality of care, making health services more affordable, or any other number of proposals.

The election has identified voters’ choice of president and thereby the options on the table for making health care available to US citizens. Nowhere are the challenges more evident than in Florida with a large proportion of people who do not have access to employer-based health insurance, the default coverage type for most Americans. Other types of insurance available to significant populations of Americans include: private individual health insurance, Medicare, Medicaid, the Children’s Health Insurance Program (CHIP), health care exchanges under the ACA, also frequently referred to as “Obamacare,” and VA health care benefits. Table 1 displays the types of major coverage for Florida and the U.S. in 2015.

Table 1
Coverage 2015, by Type

Location	Employer	Private	Medicaid	Medicare	Other Public
Florida	7,879,800 (39%)	1,949,500 (10%)	3,610,400 (18%)	3,535,600 (18%)	563,200 (3%)
US	155,965,800 (49%)	21,816,500 (7%)	62,384,500 (20%)	43,308,400 (14%)	6,422,300 (2%)

Source: Kaiser Family Foundation, Kaiser Family Foundation estimates based on the Census Bureau's March 2014, March 2015, and March 2016 Current Population Survey (CPS: Annual Social and Economic Supplements).

This patchwork quilt of health coverage and services has resulted in various coverage gaps that President-elect Trump’s proposals will affect in some way. In Florida, the uninsured numbered 2.4 million or roughly 12% of the population in 2016 and in the U.S., approximately 27 million or 8%. This paper reviews, with references to polling and survey findings, the challenges facing decision-makers as

they contemplate changes to the major public means of providing health care insurance coverage and services in Florida and the nation.

What the Polls Tell Us about the Importance of Health Care to Voters

Polls conducted prior to the presidential election and in exit interviews tell us something about the importance voters attached to the issue of health care. In Florida, some insights can be gleaned from surveys conducted by the Bureau of Economic and Business Research (BEBR) at the University of Florida. Twice a month BEBR surveys Floridians to assess their mood toward making a variety of purchases. These surveys make use of socio-economic and demographic data to identify and analyze consumer sentiment. In partnership with the Bob Graham Center, BEBR added six questions to its April and September 2016 surveys to elicit responses about public policy issues that might inform respondents' choices of presidential candidate in the November 2016 election.¹ Respondents were asked in those surveys to identify the most important issue in selecting a president. The options presented were the economy, health care, immigration, tax policy, or the threat of terrorism. Voters could offer other responses, notated as "something else," although no follow-up questions were posed which would have allowed them to expand on such a response. Florida's registered voters, as represented by survey respondents, clearly thought health care was important. In April it ranked as the second most important issue and in September as a close third. (See Table 2.)

Table 2
Which of these is the single MOST important issue in your choice of President

POLICY	April 2016	April 2016 %	September 2016	September 2016 %
Economy	188	48	164	40
Health Care	67	17	73	18
Immigration	37	9	44	11
Tax Policy	23	6	22	5
Threat of Terrorism	58	15	78	19
Something Else	10	2	18	4
Refused/Don't Know	11	3	11	3
Total	394	100%	411	100%

¹ Although BEBR consumer confidence surveys poll Floridians 18 years and older, the respondents are not necessarily voters. However, survey respondents are asked whether they are registered to vote. Roughly 80% of those surveyed in both April (394 of 502) and September (411 of 501) responded that they were registered to vote. This aggregated set of 805 survey respondents who self-identified as registered voters forms the basis for the analysis below. For purposes of this paper, these respondents are referred to as "voters" even though they may not have voted in the November general election.

When asked about the degree of importance of health care in informing their choice for president, approximately three-quarters of the voters in April and September, regardless of political affiliation, indicated that it was extremely or very important (75% in April; 77% in September). That question asked: “Thinking ahead to the presidential election, how important will health care be to your vote for President this year?” Table 3 displays the responses to that question:

Table 3
Importance of Health Care in Voting for President

Level of importance	April 2016 N. 394	September 2016 N. 411
Extremely important	36%	40%
Very important	39%	37%
Somewhat important	17%	14%
Not too important	7%	8%
DK/RF	1%	1%
Total	100%	100%

The response was more nuanced when political affiliations were taken in account. Florida’s Democrats and Independents responded that it was the second most important issue in April. For Independents it dropped to third place in the September survey and retained second place for Democrats. Republicans replied that it was the fourth most important issue in April and September.

Health care was never cited as a top priority in national polls. During the two weeks prior to the presidential election, the CBS News/ New York Times Poll asked a question of registered voters nationwide similar to the one asked by BEBR of Florida voters. Responses from that national poll showed health care to be a top priority behind the economy and jobs and national security/terrorism and ahead of immigration, the environment, and other issues.² Similarly, the Kaiser Family Foundation in its October tracking poll found that health care was ranked behind the candidates’ characteristics, the economy and jobs, foreign policy, immigration, and social issues as playing a major role in the election.³

The Kaiser Family Foundation asked more probing questions about respondents’ predilection toward various aspects of health care. The top priority identified by three-quarters of respondents (regardless of party affiliation) was ensuring affordability of costly drugs for chronic conditions. The next largest group of respondents (almost two-thirds) gave highest priority to government measures to reduce the cost of prescription drugs. Following that priority in importance were ensuring sufficient doctor and

² CBS News/New York Times Poll. Oct. 28-Nov. 1, 2016. N=1,333 registered voters nationwide, <http://www.pollingreport.com/prioriti.htm>.

³ “Kaiser Health Tracking Poll: October 2016,” October 2016, <http://files.kff.org/attachment/Kaiser-Health-Tracking-Poll-October-2016>, p. 2.

hospital networks in health plans (57%) and containing costs for seeing out-of-network doctors in an in-network hospital (54%).⁴

Forms of Health Care Coverage

As is evident from the polling responses above, health care was important to respondents in this presidential election. Both presidential nominees addressed health care policies differently and from campaign statements we have a general idea of the President-elect's vision for change.

Each one of the major means of obtaining health insurance coverage presents a different set of policy choices and challenges.

Affordable Care Act

During his campaign, Donald Trump advocated repealing the ACA and eliminating the individual mandate. In poll after poll conducted at the national level prior to the campaign, respondents voiced disapproval of the ACA. The Pew Research Center has conducted polls periodically since the passage of the Act in 2010 and at no point since the program's inception has the overall approval rate in Pew's surveys ever exceeded 50%.⁵ In its most recent poll on the issue (October 2016) 51% of respondents disapproved of the ACA compared to 46% who approved of it. Among those who approved of the ACA in October, the partisan divide is striking: 82% of Democrats, 41% of Independents, and 8% of Republican respondents approved of the health care law.⁶

A Wall Street Journal exit poll of voters on November 8 also reflected a deeply divided nation in terms of health care. Approximately half of the respondents said that "the Affordable Care Act didn't go far enough or was about right," and the other half said that "it went too far."⁷ The Wall Street Journal poll

⁴ Kaiser Family Foundation, "Public Ranks Drug Costs and Sufficient Provider Networks Ahead of Affordable Care Act Changes as Health Care Priorities for Next President and Congress to Address," October 27, 2016, <http://kff.org/health-costs/press-release/public-ranks-drug-costs-and-sufficient-provider-networks-ahead-of-affordable-care-act-changes-as-health-care-priorities-for-next-president-and-congress-to-address/>. As an example of the possible outcome of out-of-network doctors working in in-network hospitals, see Margot Sanger-Katz and Reed Abelson, "Surprise! Insurance Paid the E.R. but Not the Doctor," New York Times, November 16, 2016, http://www.nytimes.com/2016/11/17/upshot/first-comes-the-emergency-then-comes-the-surprise-out-of-network-bill.html?_r=0.

⁵ Pew Research Center, "April 2016 Politics and Foreign Policy Survey Final Topline," April 12-19, 2016. Adults were asked the question periodically over a six-year period: "Do you approve or disapprove of the health care law passed by Barack Obama and Congress in 2010?" Similarly, the percentage of responses approving ACA never exceeded 50% in Gallup poll surveys conducted periodically from 2013-2016. See Gallup Review: Healthcare and the Election, October 28, 2016, http://www.gallup.com/opinion/polling-matters/196814/gallup-review-healthcare-election.aspx?g_source=Opinion&g_medium=sidebottom&g_campaign=tiles.

⁶ John Gramlich, "Views of Health Care Law Break Sharply Along Partisan Lines," *Facttank: News in the Numbers*. Pew Research Center, October 27, 2016, <http://pewrsr.ch/2eR8PK4>.

⁷ Laura Meckler, "Election 2016: Voters Show a Deep Hunger for Change," Wall Street Journal, Eastern edition, November 9, 2016: A.2.

observed that “Mr. Trump won the support of most of the voters who have an unfavorable views of trade, while Mrs. Clinton won most of the voters who support the health law.”⁸

In another election-day exit poll, the five news networks and the Associated Press found that 47% of voters said that the ACA went too far; those voters supported the Republican nominee by 83% to 13%. Thirty percent of the respondents to the exit poll said the ACA did not go far enough and they supported the Democratic nominee by 78% to 18%.⁹

The ACA has many components, including prohibitions against insurers denying coverage for pre-existing conditions and allowing parents to cover their children as dependents until their 26th birthday. These two features garner support from most people in surveys.¹⁰ They are also the two provisions the President-elect indicated that he would retain.¹¹ However, the health insurance markets or “exchanges” established under ACA for people who are not covered by other types of insurance have elicited considerable criticism. Most recently, the increase in health insurance premiums for 2017 health exchange enrollees has received widespread media coverage and became the subject of debate in the presidential campaign in the weeks preceding the election.¹²

Arguably, the ACA has two major objectives: to insure those Americans who are uninsured and to reduce health care insurance costs. With respect to the first objective, the ACA has been successful in reducing the number of uninsured residents of the nation and of Florida. According to the National Health Interview Survey, the portion of the population that does not have health insurance dropped significantly nationwide from the first three months of 2010 (48.6 million) to the first three months of 2016 (27.3 million).¹³ In short, approximately 20 million people in the U.S. (roughly the current total population of Florida) have gained health insurance coverage under the ACA. Of the 20 million, 2.3

⁸ Ibid.

⁹ Karlyn Bowman, “The Exit Polls 2016: A-Z,” Forbes, November 9, 2016, <http://www.forbes.com/sites/bowmanmarsico/2016/11/09/the-exit-polls-2016-a-to-z/3/#268521b954af>.

¹⁰ Michael Hiltzik, “Obamacare Opponents are Now Targeting Protections for Preexisting Conditions,” Los Angeles Times, November 4, 2015, <http://www.latimes.com/business/hiltzik/la-fi-mh-pre-existing-conditions-20151104-column.html>

¹¹ Bruce Japsen, “Trump’s Epiphany letting Young Adults Stay on Their Parents Insurance,” Forbes.com, November 20, 2016, <http://www.forbes.com/sites/brucejapsen/2016/11/20/trumps-epiphany-to-let-young-adults-stay-on-their-parents-insurance/#218347173129>. Robert Laszewski, “Trump Wants to Keep the Obamacare Pre-Existing Condition Reforms – He First Said So in February,” Forbes.com, November 12, 2016, <http://www.forbes.com/sites/robertlaszewski2/2016/11/12/it-isnt-news-that-trump-wants-to-keep-the-pre-existing-condition-reforms-he-said-so-in-february/#3b75ec5d7ccf>.

¹² Jennifer Jacobs, “Trump Seizes on Obamacare Cost Increases to Try to Boost Campaign,” October 25, 2016, <http://www.bloomberg.com/politics/articles/2016-10-26/trump-seizes-on-obamacare-cost-increases-to-try-and-boost-campaign>.

¹³ Robin A. Cohen, Ph.D., Michael E. Martinez, M.P.H., M.H.S.A., and Emily P. Zammitti, M.P.H., “Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey, January–March 2016,” National Health Interview Survey Early Release Program, National Center for Health Statistics, at <https://www.cdc.gov/nchs/data/nhis/earlyrelease/insur201609.pdf>.

million were young adults, ages 19 to 25, who were allowed to stay on a parent's plan until age 26.¹⁴ Floridians, in particular, have benefited from ACA coverage. Over 1.7 million people enrolled in private health insurance plans through Florida's exchange by the end of the 2016 enrollment period, making it the highest enrollment rate and number in the country.¹⁵

While many people now have coverage who in the past did not, reigning in insurance premium costs has proven to be more problematic. A shortcoming of the ACA is the low enrollment of healthy young people in the health exchanges relative to older members who are less likely to be healthy and more expensive to serve. This tilt toward less healthy enrollees has come about despite the individual health insurance mandate and increased the risk for insurance companies. Fearing financial losses, several large insurance companies, including United Health Group, and Aetna, have pulled out of the exchanges and Humana has limited its participation, thereby reducing competition among insurance providers.¹⁶ In addition, the insurance companies that remain active in the ACA marketplace have in most instances raised rates.¹⁷

In Florida, according to the Kaiser Family Foundation, the number of insurance companies participating in the federal exchange has gone from a high of 10 in 2015 to only 5 projected for 2017.¹⁸ A large portion of the state (other than the Miami, Tampa, and Orlando metropolitan areas,) will have only one or two companies providing coverage through the exchanges in 2017.

As competition among insurance companies has declined in many regions of the country and the projected cost of care has increased, premiums have likewise been affected. The projected average increase of premiums from 2016 to 2017 nationwide is 22%. According to the Department of Health and Human Services (HHS), 85% of current Marketplace participants receive tax credits that reduce the cost of coverage.¹⁹ Even though most enrollees might expect premium increases to be largely offset by an increase in tax credits in 2017, coverage will likely become less affordable for many of them. The exact amount of the overall increase is variable and depends upon several factors including the type of

¹⁴ Namrata Uberoi, Kenneth Finegold, and Emily Gee, "Health Insurance Coverage and the Affordable Care Act, 2010–2016," ASPE Issue Brief, March 3, 2015, <https://aspe.hhs.gov/sites/default/files/pdf/187551/ACA2010-2016.pdf>.

¹⁵ Louise Norris, "Florida Health Insurance Exchange / Marketplace," November 1, 2016, <https://www.healthinsurance.org/florida-state-health-insurance-exchange/>. In contrast to Florida, California and New York have expanded Medicaid coverage which thereby reduced the number of people covered under the exchanges.

¹⁶ There is a prohibition beginning in 2017 against the federal subsidy of insurance companies (risk corridors) if they lose money from participating in the exchanges. This prohibition may have contributed to the companies' decisions to cease participation in the exchanges.

¹⁷ Cynthia Cox, Michelle Long, Ashley Semanskee, Rabah Kamal, Gary Claxton, and Larry Levitt, "2017 Premium Changes and Insurer Participation in the Affordable Care Act's Health Insurance Marketplaces," Kaiser Family Foundation, October 24, 2016, Updated: Nov 01, 2016, <http://kff.org/health-reform/issue-brief/2017-premium-changes-and-insurer-participation-in-the-affordable-care-acts-health-insurance-marketplaces/>.

¹⁸ *Ibid.*, Table 2.

¹⁹ U.S. Department of Health & Human Services, "More Than 70 Percent of Consumers Can Find Marketplace Plans for Less than \$75 Per Month," October 24, 2016, <https://www.hhs.gov/about/news/2016/10/24/more-70-percent-consumers-can-find-marketplace-plans-less-75-month.html>.

coverage plan, and the enrollee's state of residence, age, income, and smoker/non-smoker status. Where more than one plan is offered, enrollees may be able to reduce their premiums by switching to a less expensive plan with less coverage.

Given the uncertainty surrounding the fate of the ACA, it is presently unclear whether or how the people who are currently uninsured will be insured. In addition, it is unclear how, if at all, those who are currently enrolled in plans covered by the ACA exchanges will be covered in the future.

Medicaid and Medicaid Expansion

Health care costs are impacted by states that did not expand Medicaid. People who are not insured tend to delay medical care and are thus sicker when they are treated, all things equal. Therefore, in states that opted not to expand Medicaid coverage, poorer and sicker residents continue to place pressure on the healthcare delivery system.²⁰ As of 2016, the total number of uninsured in the U.S. is 27.1 million, of which 2.4 million live in Florida.²¹ Medicaid is one means of insuring those with very low incomes who meet eligibility criteria. Over half of all registered voters, 54% of 1,020 who were polled by the Kaiser Family Foundation in August 2016, considered the future of Medicaid to be a top priority among seven identified health-care issues for the presidential candidates to talk about on the campaign trail.²²

In Florida, approximately 3.9 million or 20% of the population received Medicaid benefits in late 2016.²³ The projected caseload for Florida's Medicaid Program is 4.1 million in 2016-2017.²⁴ Florida receives 61% of its Medicaid funds from the federal government and is required to match the other 39% from state funds. The Florida Medicaid program is estimated to cost \$25.9 billion (state and federal funds combined) during the 2016-2017 fiscal year. The appropriations for Medicaid from the General Revenue Fund account for 20% of all General Revenue Fund appropriations. Until 2015-2016 the share of General Fund appropriations for Medicaid averaged 17.5% per year. Last year's increase was due to a capitated rate increase, medical care and drug cost inflation, and a higher caseload.²⁵

²⁰ Rachel Garfield and Anthony Damico, "The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid," Kaiser Family Foundation, October 19, 2016, <http://kff.org/uninsured/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/>.

²¹ Rachel Garfield, Anthony Damico, Cynthia Cox, Gary Claxton, and Larry Levitt, "Estimates of Eligibility for ACA Coverage among the Uninsured in 2016," Kaiser Family Foundation, October 18, 2016, <http://kff.org/uninsured/issue-brief/estimates-of-eligibility-for-aca-coverage-among-the-uninsured-in-2016/>.

²² "Kaiser Health Tracking Poll: August 2016," Kaiser Family Foundation, Kaiser Family Foundation, August 2016, <http://files.kff.org/attachment/Kaiser-Health-Tracking%20Poll-August-2016-Topline>.

²³ Florida Agency of Health Care Administration, November 2016, ACHA enrollment data from October 2016. See http://www.fdhc.state.fl.us/medicaid/Finance/data_analytics/enrollment_report/index.shtml. Projected Estimates: <http://edr.state.fl.us/content/conferences/medicaid/execsummary.pdf>.

²⁴ Florida Legislature Office of Economic and Demographic Research, "Social Services Estimating Conference Medicaid Caseloads and Expenditures July 6, July 25, August 8, and August 11, 2016 Executive Summary," <http://edr.state.fl.us/content/conferences/medicaid/execsummary.pdf>.

²⁵ Florida Legislature Office of Economic and Demographic Research, "Economics of Health Care Spending," October 8, 2015, http://edr.state.fl.us/Content/presentations/affordable-care-act/HealthCareSpending_Economics_Oct2015.pdf.

Pressure on the state Medicaid budget is likely to continue for the foreseeable future. The 2016-2017 fiscal year appropriation is projected to be almost \$138 million less than actual expenditures. The current year shortfall could be complicated further if Medicaid service providers are successful in their challenge of new reimbursement rates. Two of the largest for-profit hospital chains, HCA Florida and Tenet Healthcare, are appealing the Medicaid reimbursement rates the state proposed to pay them during the 2016-2017 fiscal year. In addition, the projected increase in state Medicaid outlay for 2017-2018 over the current year is \$735 million.²⁶

Hospitals serving patients in states that did not expand Medicaid might be experiencing a double whammy due to increases in the traditional Medicaid caseload and because of a reduction in 2016-2017 to Federal Low Income Pool funding that reimburses safety-net hospitals for treating the uninsured.²⁷ Unlike 31 other states, Florida has not expanded Medicaid coverage under the ACA. According to the Kaiser Family Foundation, approximately 750,000 uninsured Floridians cannot obtain Medicaid and earn too little to qualify for a subsidy under the ACA, thus falling into what is often referred to as the 'coverage gap'.²⁸

Closely related to changes in Medicaid are those that may be contemplated for the Children's Health Insurance Program which comes up for reauthorization in 2017. Currently in Florida approximately 2.4 million children are covered by Florida KidCare, the Florida version of the CHIP.²⁹ Families with children eligible for CHIP have household incomes of less than 133% FPL unless states have elected to increase that income eligibility standard. KidCare's CHIP covers children up to 210% from birth through 18 years old.³⁰

Medicare

In August 2016, as the presidential campaign intensified, the Kaiser Family Foundation polled adults, including a large subset of registered voters, about several health-related issues. One question asked how important it was for the presidential candidates to address the future of Medicare. Two-thirds of

²⁶ Christine Sexton, "After Earlier Warnings, Florida Hospitals Challenge Medicaid Outpatient Rates," Politico, November 1, 2016, <http://www.politico.com/states/florida/story/2016/10/after-earlier-warnings-florida-hospitals-challenge-medicaid-outpatient-rates-106930>.

²⁷ In 2015-2016, funding for the Low Income Pool in Florida totaled \$1 billion and in 2016-2017, it totaled \$608 million. See Tom Wallace, Chief, Medicaid Program Finance Agency for Health Care Administration, "Low Income Pool," Presentation before House Health Care Appropriations Subcommittee, November 3, 2015, slides 4-5, http://www.fdhc.state.fl.us/medicaid/recent_presentations/LIP_House_HC_Approp_2015-11-03.pdf.

²⁸ Rachel Garfield and Anthony Damico, "The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid," The Kaiser Family Foundation, October 19, 2016, <http://kff.org/uninsured/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/>.

²⁹ Florida Legislature Office of Economic and Demographic Research, "Expenditure Social Services Estimating Conference Florida KidCare Program August 1, 2016 FINAL REPORT," <http://edr.state.fl.us/Content/conferences/kidcare/kidcareexpenditures.pdf>.

³⁰ Centers for Medicare & Medicaid Services, Medicaid.gov, "Medicaid and CHIP Eligibility Levels," <https://www.medicare.gov/medicaid/program-information/medicaid-and-chip-eligibility-levels/index.html>.

registered voters, among the 1,020 who responded, indicated that it was a top priority and another 28% said it was important but not the top priority.³¹

In Florida 18% of health insurance coverage provided in 2015 came from Medicare which faces its own set of fiscal challenges. Among those challenges is Medicare's benefit design which does not encourage administrative coordination and increases administrative costs. As a recent report by the Commonwealth Fund states: "The predominantly fee-for-service provider payment system used by traditional Medicare, and by most [Medicare Advantage] plans, provides no incentive to eliminate duplicative or ineffective care, coordinate care, or substitute lower-cost care alternatives—and in effect penalizes providers who do so."³² Pressures on Medicare and the financing mechanism that supports it, the Medicare Trust Fund, have been exacerbated by the influx of baby boomers reaching the eligibility age of 65, estimated to be 10,000 a day.³³

Floridians will demand more from the Trust Fund than residents of most other states because Florida's elderly population (age 65 and older) is projected to grow faster relative to that of other states, and may double from 3.3 million to 6.6 million between 2010 and 2040.³⁴ In addition, the Trust Fund faces cost containment challenges created by law. Perhaps the best example is a provision in the 2003 prescription drug law which created Medicare-Part D and which prohibits the Secretary of Health and Human Services from negotiating the prices paid for drugs purchased by participants in Part D. New and expensive medical technologies that are often used to attract patients also can drive costs up, particularly if reimbursement is cost-based.³⁵

The Medicare Trust Fund is projected by 2028 to no longer have sufficient assets to fully cover its obligations if the law is not changed. Among the objectives of the ACA is to slow the growth of future Medicare expenditures and extend the solvency of the Trust Fund by improving coverage and care for beneficiaries. This is to be accomplished by improving preventive care without required cost-sharing, improving access to basic medical care, boosting Medicare payments to primary care providers, penalizing hospital readmissions, and strengthening chronic care management, among other services. President-elect Trump did not address in any detail these outcome-related aspects of the ACA during the 2016 presidential campaign.

Notwithstanding those elements of the ACA, political uncertainties revolve around what additional measures should be undertaken to deal with Medicare's projected revenue shortfall. There has been a sustained push over the years to privatize the program and make it more means-tested. Other options

³¹ See fn. 22.

³² Karen Davis, Stuart Guterman, and Farhan Bandeali, "The Affordable Care Act and Medicare: How the Law Is Changing the Program and the Challenges That Remain," The Commonwealth Fund, June 2015, http://www.commonwealthfund.org/~media/files/publications/fundreport/2015/jun/1821_davis_aca_and_medicare_v2.pdf?la=en.

³³ "Baby Boomers Retire," Pew Research Center, December 29, 2010, <http://www.pewresearch.org/daily-number/baby-boomers-retire/>.

³⁴ Florida Legislature Office of Economic and Demographic Research, "Florida Population by Age Group," http://edr.state.fl.us/Content/population-demographics/data/Pop_Census_Day.pdf.

³⁵ See fn. 25. at 12.

for reform include increasing Medicare taxes, cutting benefits, and restructuring Medicare to become more of a defined-contribution financing system.³⁶ Depending on what measures are adopted under President-elect Trump's administration, Medicare beneficiaries and their families could face much higher premiums and out-of-pocket expenses.³⁷ Congress and the president will need to reach agreement on changes to Medicare that are acceptable to voters. This may be quite a challenge given the popularity of the program, its widespread adoption, and the complexity of its coverage components.³⁸

Employer-based Health Insurance

Employer-based health insurance is the most prevalent means by which people throughout the nation obtain coverage, serving 156 million Americans, including 7.9 million Floridians. In 2015 employer-based plans accounted for 39% of all health insurance coverage in Florida and 49% in the nation.³⁹

While apparently existing completely in the private sector, these plans are not immune to changes in public health care policy. Under the ACA certain employers may be eligible for tax credits, a form of public subsidy, based on their share of employee health insurance premiums if they provide coverage to their employees. Companies with 50 or more full-time positions are penalized \$2,000 per employee if they fail to provide suitable insurance.⁴⁰ These provisions will cease to exist if the ACA is repealed in its entirety.

Although the rate of coverage by large companies did not drop following passage of the ACA, the percentage of small companies (those with 3 to 199 workers) providing insurance did decline, from 68% in 2010 to 56% in 2015.⁴¹

Asked how important the issue of health insurance premiums was in informing their vote, 60% of registered voters responded that it was very important in the September 2016 Kaiser Health Tracking

³⁶ For a conservative perspective, see Robert E. Moffit, "Medicare's Next 50 Years: Preserving the Program for Future Retirees," July 29, 2016, <http://www.heritage.org/research/reports/2016/07/medicares-next-50-years-preserving-the-program-for-future-retirees>.

³⁷ Bob Herman, "Changes Loom as Most-popular Medigap Plans Face Extinction," Modern Healthcare, June 25, 2016, <http://www.modernhealthcare.com/article/20160625/magazine/306259966>.

³⁸ Mollyann Brodie, Elizabeth C. Hamel, and Mira Norton, "Medicare as Reflected in Public Opinion," American Society on Aging, Summer 2015, <https://kaiserfamilyfoundation.files.wordpress.com/2015/06/generations-medicare-as-reflected-in-public-opinion-brodie-et-al.pdf>.

³⁹ Kaiser Family Foundation, "Health Insurance Coverage of the Total Population," 2015, <http://kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>.

⁴⁰ U.S. Internal Revenue Service, "Affordable Care Act Tax Provisions for Small Employers, last reviewed or updated June 7, 2016, <https://www.irs.gov/affordable-care-act/employers/affordable-care-act-tax-provisions-for-small-employers>.

⁴¹ Michelle Long, Matthew Rae, and Gary Claxton, "A Comparison of the Availability and Cost of Coverage for Workers in Small Firms and Large Firms: Update from the 2015 Employer Health Benefits Survey," <http://kff.org/private-insurance/issue-brief/a-comparison-of-the-availability-and-cost-of-coverage-for-workers-in-small-firms-and-large-firms-update-from-the-2015-employer-health-benefits-survey/>.

Poll.⁴² Both employers and employees have experienced rising premium costs, in particular for family coverage. According to the Kaiser Family Foundation, premiums and covered workers' contributions to family health insurance increased 32% from 2010-2016.⁴³

Cost containment strategies most commonly employed rely at least in part on shifting health care costs to employees. One such strategy is to increase deductibles. The percentage of employees with high-deductible plans increased from 20% in 2014 to 29% in 2016.⁴⁴ However, the potential downside of making health care less affordable for employees can be increased expenditures in the long term if employees reduce their preventive care or otherwise delay necessary treatment.

To conclude, political and fiscal pressures related to all these health insurance coverage and delivery systems will not go away any time soon. This paper has highlighted the major programs and issues raised during the 2016 Presidential campaign. Voter responses to the polls conducted during the campaign and concerns voiced since the election indicate that Floridians and their counterparts across the country make it clear that health care and access to affordable care are important.⁴⁵ Further, despite its fragmented financing, there are interconnections among programs and delivery systems that complicate attempts to make piecemeal changes.⁴⁶ The new Administration's reconfiguration of health care programs will have significant impacts on Florida and the nation. After all, virtually everyone in the nation is touched by this \$3 trillion health care 'system' in some way – and approximately one third of the US population is directly involved with a publicly funded program.

⁴² "Kaiser Health Tracking Poll: September 2016," Kaiser Family Foundation, September 2016, <http://files.kff.org/attachment/Kaiser-Health-Tracking-Poll-September-2016>.

⁴³ Kaiser Family Foundation, "Premiums and Worker Contributions Among Workers Covered by Employer-Sponsored Coverage, 1999-2016," No date, http://kff.org/interactive/premiums-and-worker-contributions/#/?compare=true&coverageGroup=family&coverageGroupComp=family&coverageTypeComp=worker_contribution&filter1=&filter1Comp=&startYear=2010.

⁴⁴ Kaiser Family Foundation, "2016 Employer Health Benefits Survey," September 14, 2016, <http://kff.org/report-section/ehbs-2016-summary-of-findings/>.

⁴⁵ Tami Luhby, "Americans are freaking out about losing Obamacare," November 11, 2016, <http://money.cnn.com/2016/11/11/news/economy/obamacare-losing/index.html>.

⁴⁶ This point was made in a recent article about the ACA: "Many ACA policies ...are interconnected: without a requirement that individuals either obtain insurance or pay a penalty, regulations prohibiting insurers from excluding sicker people from coverage or charging them higher premiums are not viable. Picking and choosing to keep only the ACA's popular provisions is easier said than done." See Jonathan Oberlander, "Perspective: The End of Obamacare," *The New England Journal of Medicine*, November 16, 2016.