

A Q&A WITH REP FRANK PALLONE JR

Looking Back on the ACA, Looking Forward to Bipartisan Solutions

To mark the 25th anniversary of The American Journal of Managed Care® (AJMC®), each issue in 2020 will include a special feature: an interview with a thought leader in the world of healthcare and medicine. For the March issue, which marks the 10th anniversary of the Affordable Care Act (ACA) being signed into law, we turned to Representative Frank Pallone Jr, D-New Jersey, who, as Health Subcommittee Chair of the House Energy and Commerce Committee, played a key role in the law's writing and passage. In this written interview, he answered our questions on the ACA's longevity, areas of potential bipartisan agreement, and more.

AJMC®: When AJMC® launched in 1995, it was shortly after the Clinton plan had gone down in Congress and 15 years before the ACA was enacted. Now, more Americans have health insurance, but struggles with price, cost, and access remain. What will it take for the United States to bring down the cost of care and widen access?

REP FRANK PALLONE JR: There are a number of things we can do to lower consumers' healthcare costs, but the most important thing we can do to lower prices is expand overall coverage. We can do that by stabilizing the insurance markets, increasing premium assistance for individuals in the Marketplace, expanding Medicaid in the states that have yet to do so, and passing a public option to ensure everyone has access to quality, affordable healthcare coverage.

AJMC®: Regarding the ACA specifically, what do you think has been its biggest achievement, and what do you think has been its biggest flaw?

PALLONE: The ACA achieved an incredible amount. Thanks to the ACA we have experienced the lowest uninsured rate in the nation's history, universal protections for Americans with preexisting conditions, guaranteed essential health benefits, preventing gender discrimination, and putting an end to annual and lifetime limits. If I had to put my finger on one thing it would be the durability of the system established by the ACA, which has allowed it to withstand Republican efforts to unwind the program. It is because of that durability and the growing awareness of all of the critical patient protections included in the law that I am confident it will continue to offer quality health coverage to tens of millions of Americans for years to come.

“THERE IS NO SILVER BULLET. IT WILL LIKELY TAKE A SERIES OF INCREMENTAL CHANGES THROUGHOUT HEALTHCARE THAT ADD UP TO MEANINGFUL REFORM.”

AJMC®: Value-based care was heralded as a way to achieve the Triple Aim, but healthcare costs are still rising; on some health measures we are doing better, on others we are doing worse. Is there a future for value-based care, or—without some other shift that takes place—is emphasis on value still just nibbling around the edges of the problem?

PALLONE: Experience has shown us that value-based care is hard. The ACA made some significant advancements by reducing hospital readmissions and creating accountable care organizations, which require providers to collectively take responsibility for the quality and costs of their patients. There is still a lot more that we can do to achieve better outcomes at lower costs. But there is no silver bullet. It will likely take a series of incremental changes throughout our healthcare system that add up to meaningful reform. We will also have to look at the prices we pay for healthcare, which are much higher than in other parts of the world.

AJMC®: Compared with the therapies that existed in 1995, we live in an era now where it appears we may have one-time curative or potentially curative treatments for some illnesses, but the flip side is that they are unaffordable, bankrupting households and

INTERVIEW

with the potential to blow up public budgets. Can innovation and translational scientific breakthroughs exist in the same space with access and affordability?

PALLONE: We've seen some incredible breakthroughs in therapies in recent years, but at the same time millions of Americans are struggling to keep up with rapidly rising prescription drug prices.

That's unsustainable, which is one of the many reasons why I introduced, and the House passed, HR 3, the Lower Drug Costs Now Act.¹ We need to empower Medicare to negotiate for lower drug prices that are in line with the prices other countries are paying for the same medications and where the pharmaceutical industry admits it is still making massive profits. We can strike a fair balance between rewarding medical innovation that saves lives and ensuring that Americans can afford treatment, but we need to be able to negotiate a better deal in order to achieve that balance.

AJMC®: If you had to pick 1 or 2 areas in healthcare or drug pricing that might have the best chance of reaching a bipartisan agreement with the Senate and with the president this year, given the extreme partisan divide, which ones would you choose and why?

PALLONE: I am optimistic about our bipartisan efforts to put an end to the surprise medical bills that millions of Americans receive each year. These are the shocking bills that people receive after

trips to out-of-network emergency rooms or after unknowingly receiving care from an out-of-network doctor. We have worked hard to garner bipartisan consensus in both the House and Senate that we need to protect patients from these surprise bills that are having devastating financial consequences on millions of families each year. We're working on hammering out the details on an agreement now, and I hope we can get it passed and signed into law this spring.

I'm also hopeful that we'll be able to get a series of public health extenders signed into law this year, including historic levels of funding for community health centers. These health centers are on the front lines of delivering care to vulnerable communities throughout the country and we're working on a bipartisan agreement that would provide a long-term authorization and funding. I'm hopeful that this agreement will ensure that these vital centers have the funding certainty they need to continue to provide high-quality primary and preventive care in their communities for years to come. ■

Representative Pallone is now chairman of the House Energy and Commerce Committee.

REFERENCE

1. Elijah E. Cummings Lower Drug Costs Now Act, HR 3, 116th Cong, 1st Sess (2020).

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