US Senate fails to pass Obamacare repeal legislation

Kate Randall 29 July 2017

Republican efforts to repeal and replace the Affordable Care Act (ACA), better known as Obamacare, came to an ignominious end in the early morning hours of Friday as the US Senate voted to reject the Health Care Freedom Act. This supposedly scaled-down plan to replace parts of Obamacare was the third to be brought to the floor and voted down over the past three days.

The final vote took place at around 1:30 a.m., ending in a 49–51 defeat for the Senate Republican leadership and the Trump administration. Three Republican senators voted against the measure: Susan Collins of Maine, Lisa Murkowski of Alaska and John McCain of Arizona.

McCain, who had returned to Washington on Tuesday, despite a recent brain cancer diagnosis, to cast the deciding procedural vote to open discussion on the Republican legislation, provided the deciding vote again Friday morning, this time to quash, at least temporarily, Republican efforts to repeal and replace the ACA.

The House bill passed in May, the American Health Care Act, and the Senate's Better Care Reconciliation Act, along with various iterations of the two, had at their center not simply the repeal and replacement of the ACA, but the destruction of Medicaid as a guaranteed government benefit based on need.

The House and Senate plans proposed to cut between \$756 billion and \$880 billion over a decade from the social insurance program for the poor, elderly and disabled, which is jointly administered by the states and federal government. They would have also thrown 14 million to 19 million people off the Medicaid rolls. This would be achieved by imposing block grants or per-capita caps on Medicaid funding to the states.

The secrecy surrounding the Senate's health care

negotiations, and the eagerness of the Republican leadership to ram a bill through without committee hearings or public debate, were driven by a determination to carry through a long-desired aim—the destruction of Medicaid.

This effort has been dealt a temporary setback. Commenting on the result, Senate Majority Leader Mitch McConnell, Republican of Kentucky, said, "This is clearly a disappointing moment." He added, "It's time for our friends on the other side [Democrats], to tell us what they have in mind."

"We are not celebrating, we are relieved," said Senate Minority Leader Charles Schumer, Democrat of New York. "Millions and millions of people who would have been so drastically hurt by the proposals put forward will at least retain their health care."

The defeat of the succession of Republican plans is indeed not a cause for celebration, but not from the standpoint that Schumer suggests. Nothing has been gained with the Republicans' legislative defeat for the 29 million Americans who remain uninsured, or the millions who face skyrocketing premiums and out-of-pocket costs as access to quality health care continues to deteriorate under Obamacare.

McCain and other Republicans were under tremendous pressure from the insurance industry to oppose the so-called "skinny" Obamacare repeal bill because it threatened to destabilize the insurance markets. The bill would have repealed the ACA mandates requiring individuals to purchase insurance and businesses to provide it. Younger, healthier people would have dropped out of the market, causing insurers to raise premiums to cover the remaining sicker, older pool of customers, with no government subsidies to bail them out.

The leading insurers' trade group America's Health

Insurance Plans (AHIP), the Blue Cross Blue Shield Association and the American Medical Association all expressed concerns about the "skinny" plan. AHIP said: "We would oppose an approach that eliminates the individual coverage requirement, does not offer alternative continuous coverage solutions, and does not include measures to immediately stabilize the individual market."

The Democrats' opposition to the Republican plan is based on similar concerns about the insurance market. Their various overtures to the Republicans to "compromise" and "fix" Obamacare have to do with shoring up the insurance markets at the expense of the working class by offering bailouts and setting up "risk management" pools.

To a lesser degree, the Democrats are concerned about the potentially explosive social implications of throwing millions of people out of the individual market and gutting Medicaid. But in opposing the Republican plans, they are not calling for an expansion and improvement of Medicaid coverage, or insuring the uninsured, or making quality, affordable health care available for all.

Throughout the Republicans' health care offensive, the Democrats have not sought to mobilize popular opposition because they are afraid of such a popular movement.

President Trump responded to the collapse of the Senate legislation with a 2:25 a.m. Tweet: "3 Republicans and 48 Democrats let the American people down. As I said from the beginning, let ObamaCare implode, then deal. Watch!"

The White House may very well pursue aggressive policies to this end, by refusing to enforce the mandates and withholding subsidies. Such measures would not only destabilize the insurance markets, but cause premiums to skyrocket and millions to lose their coverage. Trump is indifferent to the devastating social toll this would take.

But where does the president's vow to "let Obamacare implode"—or the Democrats' pledge to work with the Republicans to "fix" Obamacare—leave the working class? Either way, workers are staring into the abyss. Workers and young people cannot rely on either of the two big business parties to do their bidding in relation to any social right, but particularly in the life and death arena of health care.

Polls have shown that a large majority of the population was opposed to Republican plans to destroy Medicaid and deprive millions more of health coverage. This popular opposition, however, finds no expression in the Democratic Party, which has limited its demands to urging their constituents to put pressure on Republican members of Congress.

Outrage and protests against the bipartisan conspiracy against the health care of ordinary Americans will inevitably grow. But the working class must put forward its own independent strategy.

Profit must be taken out of health care by removing the health care industry from private hands and placing it under public ownership and the democratic control of the working class, establishing socialized medicine. This requires an implacable struggle against the entrenched wealth and privilege of capitalism, and the political representatives who defend the profit system.



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