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The Health Wonk Shop: What the 2024 Election Could Mean for Health Coverage, Affordability, and the Budget

Larry Levitt: Hello, I'm Larry Levitt from KFF. Welcome to the latest episode of the Health Wonk Shop. About once a month we dive into timely and complex health policy topics with experts from a variety of perspectives. Today our topic is the election, which is now five weeks away. This is the first campaign in many election cycles where health reform, including the Affordable Care Act, has not been a central issue. Campaigns, of course, are unpredictable, so things could change. Former President Trump has talked about having concepts of an ACA replacement plan and said details will be forthcoming. Meanwhile, Vice President Harris has been happy to fill in the details about what such a replacement plan might look like based on Trump's record. Tonight is also the vice presidential debate and Senator JD Vance has talked in recent weeks about segregating risk pools for healthy and sick people. This, of course, is a very rocky concept, but gets at the heart of the ACA's insurance regulations aimed at protecting people with pre-existing conditions. And beyond the ACA, there are issues of drug costs, Medicaid, medical debt, and coverage of IVF.

Our focus today is on where the candidates stand on issues related to healthcare coverage, costs, affordability in the federal budget, and on what the outcome of the election could mean for debate on these issues. There are, to be sure, many other issues related to healthcare that hinge on the results of the election, including abortion, the opioid epidemic, public health preparedness, gun violence. We'll leave those for another day. Today we're joined by two of the smartest Hill election and health policy-watchers around. Chris Jennings is founder of Jennings Policy Strategies and has served in multiple senior roles on the Hill and in the White House in Democratic administrations. Jennifer Young is a partner at Tarplin, Downs & Young. She was the healthcare lead at the National Governors Association and served as Republican on key congressional committees and was a senior appointee at HHS during Bush 43.

A little bit of housekeeping before we jump in. If you have questions, submit them at any time through the Q&A button in Zoom. We'll get to as many of them as we can. Also note that this session is being recorded and an archived version should be available later today. So I know that in some ways it's a

disappointment to policy wonks in the media that this campaign has not been characterized by dueling health policy white papers as some campaigns in the past have, but there have been some policy proposals and the two presidential candidates do in fact have records. I'd like to start by asking both of you to characterize how you see the differences and similarities between the candidates on healthcare. And Chris, let's start with you.

Chris Jennings: Okay, thanks Larry. It's a great pleasure to be back here with you and of course Jennifer. I'll start, of course. I guess I'm more the Democratic hat, so I'll start with Harris-Waltz campaign vision for health reform. I think the best way to say it is it is an embrace and support of a strong public-private partnership that is strengthened and protected over time, both within the Medicare marketplace, Medicaid programs, and then uses a very significant commitment to cost containment, particularly around prescription drugs, and plows back some of those savings back into healthcare, and improves benefits and lowers overall cost for both the public sector and the private sector. That's what I'd say about them and we can talk a little bit about the details, but that's my summary. Do I get to talk about the Trump world or do I-

Larry Levitt: Please, yes.

Chris Jennings: Because I personally believe there could be no greater contrast. One purports not to cut things. They don't talk about fixing things. And if anything, their prescription, their record has a long history of wanting to dismantle, repeal, and attempt to replace the Affordable Care Act. And I would say even the Vice presidential candidates JD Vance's proposal to start opening up the whole debate about new reinsurance pools and separating out sick populations in those pools, which have always been, by the way, underfunded and under-financed, and have created huge burdens and problems to the most vulnerable. At a time that they're also proposing such significant tax cuts that will inevitably lead to the pressures to cut and slash Medicare and Medicaid, and in particular the Medicaid program. So I could not view this as a greater contrast. One is about constraining costs and expanding coverage, and the other one is just the opposite.

Larry Levitt: We will come back to many [inaudible 00:05:57], but Jennifer, let me give you an opportunity. How do you see the differences and potentially similarities between the campaigns?

Jennifer Young: I should start off by adding my thanks to including me here today. It's always a pleasure to see you and to have a chance to talk with you and Chris. A real pleasure.

So I would say that the former president has a different philosophy as it relates to the challenges confronting our healthcare delivery system. And that philosophy would have its grounding in the fact that markets often offer solutions rather than government programs. So his bias is not to look for a government program to solve a problem, but instead to look to and learn from markets, and try to find solutions that take advantage of the skills that he developed through his life as a successful business person. You can look at his record on prescription drugs as a place where he was eager to ensure that American consumers don't pay more than the rest of the world for pharmaceutical products that were developed in many instances here in the United States. So I would expect in a second term, he would be looking for ways to pool those international reference pricing ideas into the infrastructure that currently exists around drug negotiation. Rather than starting from scratch, he would try to bring those market-oriented policies into that existing infrastructure.

As it relates to just take on one of the issues that I think has been implicit in your setup and in Chris's comments, repeal and replace for a long time was one of the foundational principles of how the Republican Party talked about healthcare more broadly. I think the former president's references to the concept of a plan are things that people had fun with in the media, but I think behind that framing is an acknowledgment that he and much of the Republican Party continue not to love the fundamental structure behind the ACA. But I think there's also an acknowledgment that it has now been the law of the land and people are dependent upon it.

The former president has now said that he would not seek to repeal unless there was a better, more cost-effective plan ready to replace it with. And until that time, I think we will continue to have the operation of the status quo with his focus being instead on things like what happens next with the ACA tax credits, have those been implemented in a way that has led to some abuse in the marketplace? And his themes around waste fraud and abuse will be things that he would bring to a second term with a focus not just on ACA, but on other public programs to find a way to bring greater value to the taxpayer through efficient market-friendly implementation of those programs.

Larry Levitt: Let's turn to those ACA premium tax credits. That is a debate we know is going to happen next year. These enhanced ACA premium subsidies have led to record enrollment, but they expire at the end of next year. Harris has called for extending them permanently, which of course would cost money. Chris, how do you see that playing out next year and how does the outcome of the election affect the dynamics?

Chris Jennings: Of course there are multiple outcomes of an election that, you're right, would have different implications for the policy. If it's a complete Trump-Republican win, I don't see those tax credits being extended. And as a consequence, we would see significant coverage loss and premium increases. There's no Republican that I know of at Capitol Hill who suggests anything to the contrary. So I think it would be a huge disruption in what we're currently seeing in the marketplace. If it's a bipartisan, let's say divided government where you have the Democrats in the House and the White House, but maybe or maybe not in the Senate, obviously that would be a huge part of a priority for a Democratic administration.

If it's all Democratic, I think we'll be able to find a way to extend that, Larry, and I don't think that's going to be a problem. If it's a divided government, I presume that Jennifer and I will be talking about what compromises and what kind of leverage each side has. And of course, the Republicans have a great desire to extend tax cuts for significant numbers of people. And I have a feeling that this would get more thrown into the tax debate over time. There's no situation or dynamic that I know of that a Democratic administration would leave that negotiation table without significantly extending those tax credits.

Larry Levitt: And Jennifer, you mentioned, yeah, the Republicans have generally not been fond of the ACA. These enhanced premium tax credits, you mentioned concerns about fraud that have resulted. Do you see a scenario where they could attract bipartisan support?

Jennifer Young: So I think certainly there will be partisan support for the policy when you think about the importance that is inherent in the coverage that people receive. So there will be individual Republican members who absolutely want to engage in this conversation, but that will be done through a filter of wanting to fully explore what has worked and what hasn't worked, have there been areas where the program has perhaps not been fully successful in protecting taxpayer dollars and what lessons can be learned from that and how those get applied to a broader extension conversation?

But Chris is exactly right that the filter through which Republicans will want to have this conversation is in the context of the tax discussion. So any efforts through the end of this legislative session to try to preemptively bring the ACA extension conversation forward, even though it doesn't expire until December of '25, is going to be something that Republicans pretty uniformly oppose so that that conversation can take place next year in the context of those broader Republican priorities.

So I think as they approach that discussion, doing the oversight work to frame up the conversation with a full understanding of what the program integrity context looks like will be one of the preliminary steps you see Republicans take should they be in control of one or both of houses next year in advance of that process.

Larry Levitt: And Chris, these potential program integrity issues, oversight, what has the Biden-Harris administration done to try to address some of those issues? And do you expect more of that as the [inaudible 00:13:27] gets real?

Chris Jennings: Sure, whether excesses or abuses, they should be targeted and addressed. There's no question about that. And the good part about this administration and how they've administered this very proactively is they have gone after the agents and the brokers who have really abused some of the premium subsidies even in ways that the enrollees have no idea, shift them from one plan to another plan. That's just completely unacceptable. And they now have thrown hundreds of brokers off, they're going to penalize, and they've already indicated their support of interventions at the federal level through legislation that Senator Chairman Wyden from the Finance Committee is proposing. And I think they look forward to doing more of that.

I do want to say one thing about this though. Where are we seeing some of the biggest abuses in this area are in those states that have not expanded the Medicaid program. There are a lot of people in Florida who desperately need healthcare, and if they just simply expanded coverage in the Medicaid program, we would see them having healthcare. And so many people are working hard to ensure that they have income just over poverty so they can access affordable healthcare. Now, what kind of country do we have when a poor working American who is making income in poverty still can't afford healthcare? It's outrageous.

Larry Levitt: I'm going to assume that was a rhetorical question, not a question for Jennifer, but. So let's talk more about Medicaid. Chris, let me stick with you for a second. You mentioned these states that have not expanded Medicaid, there are now 10 of them remaining. The Biden-Harris administration had proposed a mechanism to cover people in those states. Have not heard Harris talk about that much in the campaign. Is that an issue you would expect to come back?

Chris Jennings: Absolutely, because she, like all Democrats, want to finish the job of covering every American, and regardless of where you're living, that there's a place and an option for you to purchase affordable healthcare or to secure affordable healthcare. And my view is, absolutely they're committed to, it's in all their...

Maybe they don't talk about it in every opportunity to talk about healthcare, but it's absolutely a commitment. I'm absolutely confident of that. I will say, I would argue that the Medicaid program serves as the greatest contrast between the two parties on healthcare. Medicare, marketplace, commercial, we can have these debates. In Medicaid, I fear that it is the whipping entity for people who are trying to achieve substantial savings in healthcare. And as a consequence, the people who suffer the most are the lowest income populations and the healthcare providers and plans who provide that service.

And so I'm very concerned that if we had a entire Republican sweep, there's no question in my mind that there would be a substantial effort to constrain and cut costs within the Medicaid program and shift those costs to the states with substantial implications about coverage loss and cost increases.

Larry Levitt: So Jennifer, I think that is a question for you. Trump has said cuts to Medicare are off the table, cuts to social security are off the table, defense cuts are off the table. He's been silent on Medicaid. And there are these proposals from Project 2025, Republican Study Committee to convert Medicaid to a block grant. Do you think Medicaid is a likely target, particularly in a scenario of a Republican trifecta?

Jennifer Young: Sure, let's address that head on. So for years and years, Republicans have explored the idea that a Medicaid block grant would empower states to run programs that reflected the realities on the ground of their unique situations and the populations they serve, and would provide greater financial flexibility within a fixed total amount. I think while that concept continues to hold an appeal from that market-based perspective we talked about earlier, I think the lessons learned over the past few years, especially in light of the pandemic, have caused people to reflect what happens when population numbers expand significantly and the overall program budget remains stagnant. That lesson has not been lost in the complexities of changing an open-ended individual entitlement to a cap block grant. A program of that scale I think is a daunting prospect that I would absolutely not anticipate being on top of anybody's priority list should we find ourselves in a Republican scenario in 2025.

I think there are more market-oriented concepts that can be brought to the program. And one thing that we would expect that the Trump administration would bring back pretty quickly would be the willingness for states to experiment with work requirements for aspects of the expansion population in the program. So I think we would see policy initiatives like that supported and encouraged. I think we would also expect, should we find ourselves in a scenario in which there is a need to realize significant savings as we a country confront

another need to raise the debt ceiling, which will happen very early in 2025, and then the extraordinary measures will carry us through for a couple of months that will be used to try to figure all this out, if at some point there's a real need to come to terms with the spending dynamic, Republicans have also expressed a willingness to talk about the enhanced match rate in expansion states as a place that they would be willing to have a conversation about that as another place to achieve savings.

So yes, there are scenarios in which Republicans would be looking at Medicaid to be part of a conversation, but I think the first and most immediate changes that you would see would be on the regulatory level through CMS around those work requirements. If we're not in a situation in which we're having an all-in conversation around the budget, I don't think there's an immediate expectation that we would be looking at a move on the Medicaid match rates. It's only in that context.

Larry Levitt: And the enhanced match, just for the uninitiated. So Medicaid typically matches at 50% higher in lower income states for the ACA expansion population that's, say, 90% federal match. And Chris, is that I assume something Democrats would oppose?

Chris Jennings: Yeah, I think there's a lot better ways to constrain costs and shift them to the states and to potentially have significant coverage losses. Now, having said that, I will say this, where there are financing abuses within the Medicaid program, and there are questions about some of these financing schemes that some states utilize, I'm not going to be saying any individual states today, prudent program management suggests that whether you're a Democrat or Republican administration, you're focusing on those policies and you're addressing those things. That's different than across the board cuts that just shift cost and risk back to the states at a time that they're going to be under extraordinary burdens to be able to sustain those types of cuts. And therefore, you'll see either cuts and coverage or in reimbursement, both of which will create major problems for either the population served or those who are serving them.

Larry Levitt: So I want to shift to prescription drugs, and we've gotten a number of questions from the audience about that as well. Both candidates have attacked the pharmaceutical industry for high drug prices. Harris has touted the Inflation Reduction Act, which gave the government authority to negotiate drug prices in Medicare for the first time and has proposed accelerating that. Jennifer, as you mentioned, Trump has talked about a most favored nation policy where the government pays for drugs. What the government pays for drugs would be tied to prices in other countries, and did try to do that in his first term. Jennifer, how

would you see a Trump administration approaching drug prices? I think you mentioned he would likely try again for a most favored nation policy. Would he continue the IRA's negotiation, try to slow it down, weaken it? Many Republicans in Congress do want to overturn that.

Jennifer Young: Such a good question. Sorry for me moving around. We're very environmentally-friendly here, our lights have gone out. So I think we would expect that the former president, should he be reelected, is unlikely to focus on prioritizing ending IRA negotiation. I think the approach he would bring to it would be to bring his expertise as a business person to bear in negotiating greater value using the existing mechanism. And I think one of the things, one of dots that could be connected to his earlier work would be would those international reference pricing factors become a component in the overall negotiation strategy.

Now, those are the kinds of ideas that I think have been discussed. I think there would be a continued interest in looking at ways that the innovation center could be a part of exploring other options as we saw him do in his first term. And remember also that in his first term, the former president was also very willing to look at re-importation as a mechanism of bringing lower-cost drugs to interested states who wanted to pursue that model. So I think we would see those concepts return to the forefront in a second term.

Larry Levitt: Yeah, and re-importation is another issue where there's been some common ground between Democrats and Republicans. So Chris, the Inflation Reduction Act passed with only Democratic votes. It was a tricky negotiation even to get all those Democratic votes to get it passed. Harris has now talked about expanding it, accelerating it. What's your view of how the negotiation has gone and what are the chances of actually expanding it even if there's a Democratic trifecta?

Chris Jennings: First of all, I think from the public's perspective, and the Medicare program's perspective, and most importantly older Americans and people with disabilities who are served by the Medicare program, I think they view it as a long overdue enhancement of the program that has achieved savings and improved benefits. That's the reason why maybe there'll be some people hesitant to try to repeal that. Having said that, I just want to say I just listened to the Republicans and the Senate Finance Committee last week talk about that particular policy. And if it was up to them, they would repeal it yesterday. And I would say... I'll give you a scenario where that could happen. Even if Donald Trump says, "Oh, I really am not for that."

My experience with Donald Trump has been, if it wasn't his, it therefore is bad. And if someone from the Capitol Hill passes legislation and let's say it's part of a big tax package that he wants to sign, do you really think he's going to veto that bill? Come on, let's be serious. And secondly, he's going to be in office at a time when the pharmaceutical industry is trying to sue CMS time and time and time again about its implementation. Do I have absolute confidence that a Republican administration will defend the law as aggressively as a Democratic administration? No, I do not. So I just want to put that contextually in place because I would not be comfortable with saying, "Oh, don't worry about it."

On the Democratic side because of its success, yes, the vice president is very interested in expanding that policy. And of course, not just to the Medicare program, but would like to extend some of those protections to the commercial space, both in terms of the cap on out-of-pocket drug costs, the inflation protections, etc. And of course the insulin cap that everyone's very familiar with in all campaigns. And so I think some of those are very hard to vote against in the commercial space. Expanding negotiations, that will probably require a Democratic senate, which is not impossible, but if it doesn't happen, it's going to be a challenge.

Jennifer Young: Can I have one last piece that I want to just mention quickly? One of the issues that you're hearing Republican senators talk a little bit about at the Finance Committee, the hearing Chris alluded to last week, was a dynamic around the first batch of drugs that were negotiated as it relates to PBMs, the pharmacy benefit managers, and a concern that Medicare beneficiaries won't in fact get access to the negotiated prices because PBMs may take steps to require you to navigate utilization management or to pay higher out-of-pocket to get to a non-preferred tier. I think Republicans at the committee have raised questions about whether CMS is doing all that it can to ensure that the value of the negotiated prices are enjoyed by beneficiaries and don't get swallowed up by PBMs. So I think that kind of PBM oversight and exploration is something that could again, potentially be a little bit of a common ground that could be built upon in the next Congress as well.

Larry Levitt: So let me ask you, and we had a question from the audience about this, so those issues of common ground. So Jennifer, you just mentioned PBM reform. There's been some bipartisan support for site neutrality and payments in Medicare between hospital-owned clinics and standalone physician clinics. Price transparency, which was started in the Trump administration and has bipartisan support and there's been an effort to codify that into federal law through congressional action. Jennifer, do you think there is potential for that bipartisan

action either this year or next year depending on the configuration of the politics after the election?

Jennifer Young: Yes, I think problem-solving around problems that are a little bit below the radar screen in terms of the intensity of the politicization around the issues remains something that Republicans in Congress are quite good at. If you look at the Energy and Commerce committee for instance, they have developed just a terrific track record of working together on a bipartisan basis under Republican chairs now to find common ground on a really important array of public health interventions, program integrity policies. I think that kind of desire to work together to solve problems is absolutely something that will continue and be built upon. And you listed some terrific examples. I think getting something done on transparency, getting something done on site neutrality, all of those things are very much in the mix. A lot depends for the end of the year over the size of the package that Congress is able to come together around in what's going to be a really tough lame duck period with politics being processed in realtime.

So whether the bigger package comes in December or whether some of that carries over into early next year, it will be determined by factors outside of the control of the people who want to work together in good faith to solve problems. But I think that attitude carries over and gives us something really good to hope for in the beginning of the next year in terms of starting conversations off together in a cooperative way.

Larry Levitt: Chris, do you agree with that?

Chris Jennings: Yeah. Actually, as Jennifer and I both know, we always long for those moments where both our elected bosses say, "Hey, work this out." And there are those moments and there are those issues that are maybe not as visible, but are equally very important. And you've already mentioned a few, but I would mention a few others that I think are out there for the taking. One is, of course, the proverbial telehealth extensions, chemical and substance abuse, anything along those lines. People are always interested in some additional assistance there. You mentioned transparency. AI oversight and its application to healthcare, there's going to be interest in that.

And absolutely the big one I think will be, that doesn't get talked about as much as I would think it should, is the physician payment reform policy, which I think has the... Only because it must be solved, it will be solved. The question is, do you want to take this opportunity to really restructure the program in a way that makes it much more sustainable and much more focused on where we

want to see healthcare delivered? And I'm seeing on both sides of the aisle, bipartisan, bicameral, a real interest in working on that front. That's care that translates not just in the Medicare program but eventually downstream. So I think that's very important to note as something that people who care about seeing something work from start to finish and something has to get done and can be done bipartisan, bicameral, I put at the top of my list.

Larry Levitt: So Chris, you mentioned the other elements of the Inflation Reduction Act, the $2,000 cap on out-of-pocket drug costs in Medicare, the $35 cap on monthly copays for insulin. We had a question from the audience about that $2,000 cap along with the Medicare benefit redesign and how insurers are going to react to that. There've been some concerns about insurers raising premiums. We're starting to see data about that. The administration took some steps to try to blunt those premium increases. Do you see this emerging as a campaign issue?

Chris Jennings: Let me start with the commercial and then I'll go to the... I think you're referring to the Part D program too, right? So on the commercial space, one, of course if you do apply inflation protections to the commercial space, that actually has a downward pressure on premiums. So that's important to talk about. Secondly, having the $2,000 cap, while very important to people who have very high drug costs, if you have really, really high drug costs, now you already have the $9,450 cap in the commercial space that all everyone benefits from as a consequence of the ACA. And so the cost of that, one, because people under 65 don't use medications as much, and two, because you have that cap in existence, I don't think you're going to see significant premium increases as a consequence. So that's my answer to that.

On the Part D side, every time you change the Part D programs, once at its initiation. I think Jennifer, you were even there at its initiation, 2003. There is nervousness about impact on beneficiaries. There was back in 2003. And Mark McClellan used the very same demonstration authority that Meena Seshamani and others in the CMS program used this time around to mitigate notable changes in the program against premium hikes that were feared to happen. And they did it. They would've done it last year, they would've done it next year. But people, because it's this year and it's election year, people are applying political rationale for it. But I can tell you, if you saw that much significant premium increases in the bids as they saw after they got the bids, they were very concerned about a viable Part D program for a period of time. So they used this demonstration authority.

Jennifer Young: And Republicans, as Chris alluded to, have a number of questions about what are the costs of the intervention that was done through CMMI, which just came

out of nowhere. There was no proposal that people could respond to and talk about it. It felt like it was a behind-closed-doors quick and cynical intervention to keep Part D premiums from going up in advance of the election. So absolutely, it's something that Republicans will want to continue to talk about.

Larry Levitt: So I want to come back to the ACA and we have-

Chris Jennings: Larry, [inaudible 00:36:03] say one thing is that I wouldn't call it an out of the blue since the plans themselves asked for it earlier in the year, but fine, let's be clear, it was not initiated initially by the administration. So I'll just throw that little nugget in.

Larry Levitt: Okay. So we had a bunch of questions about the ACA, particularly pre-existing condition protections. Jennifer, let me start with you. You mentioned, I'm paraphrasing to you and tell me if this is wrong, that there's not a lot of appetite for a big ACA repeal and replace fight again. JD Vance did reopen the question of insurance regulation through the idea of separating risk pools for healthy and sick people and giving people more choice of the types of benefits they purchase. You talked about potential Republicans looking at the subsidy structure, looking at the Medicaid matching rate. Do you anticipate some looking at the insurance regulations embedded in the ACA as well?

Jennifer Young: Yeah, look to just state the obvious, if JD Vance had not said what he had said, would we have been having this conversation as Republicans? No. I think Republicans have been quietly content for the last couple of years to see the conversation move elsewhere in terms of healthcare reform. And this reopens and takes back to earlier conversations. And I think the former president's comments himself are the most important here, that he's not looking to repeal or replace unless he's got a specific something to move to that costs less. I think as Senator Vance speculates about, would cost be lower for healthy young single people if they were not in a combined risk pool? That is a data point that could produce a positive answer for a very small subset of a population to a very limited question.

But do I envision somebody like Senator Cassidy who might well find himself as the chairman of the health committee next year, deciding that he wants to reopen and redesign risk pools and go back to the challenges associated with effective operation of high-risk pools and how do you segregate risk based on population type? No, I don't see that happening. I see Senator Cassidy having a number of other very important priorities that he is committed to, should he be lucky enough to be in a position to be holding a gavel. So I think it's an interesting hypothetical conversation, but the political realities are that

undertaking something of that level of dramatic redesign just is not on the table.

Chris Jennings: If I could just say, I don't trust and I would want to verify, concepts aren't a plan, but I fear a secret plan. I also believe that JD Vance is someone who was selected as the future of the Republican Party as the extension of the MAGA party who's beloved within that construct. And I would be far more concerned than Jennifer is, but that's me.

Larry Levitt: So we had other questions about what administrative actions a president might, President Harris, a President Trump might take. And Jennifer, you mentioned Medicaid waivers for work requirements. There's a good chance no matter who gets elected president, there will be a split Congress. What would be the top of each of your lists for what a president might do administratively? And Chris, I'll start with you. Like a President Harris, what kinds of things could a President Harris do if she doesn't have Democratic control of Congress?

Chris Jennings: Of course, this is a interesting time because she's the first term of a Harris administration and a second term of a Biden-Harris administration. And so you would have largely continuity. I think they would build on what they have built on quite successfully by new and improved ways, I would say, for example, in ACA. Of course, I'm not talking for them, Larry, this is Chris Jennings talking, but I think you could do more things to hold plans accountable both in the MA program and in the marketplace. I think that those are two areas where you could focus on a better ROI on quality and issues related to vulnerable populations who are not adequately being served when these programs. I could see them looking at new innovative plans. If they can't get Congress to do something out of CMMI. I think they would also look for opportunities to do bipartisan work on Capitol Hill on some of those areas that I've just mentioned.

Another one that I might mention is duals. It's something that Jennifer Young and I have worked on for years, and I think that's another area where whether administratively or legislatively, there's some opportunities. So I see that. I would also would like to see who the... They'll probably have some new personnel in the White House and at the cabinet level, I don't think largely significantly below that. But some of those people will have their own visions and priorities. And it'll be interesting to see. I'm not going to speculate who those people are, but I'll just say you should watch that because personnel, to some extent, is policy too.

Jennifer Young: And to that point, which I think is 100% accurate, it will be a really interesting initial filter in which to get a sense of what a second Trump term would look like

at HHS, the decisions that would get made in terms of would his cabinet secretary appointee, would his CMS administrator, what does he do with FDA? Do those choices reflect more traditional Republican establishment from the healthcare community like he did in his first term? Secretary Azar [inaudible 00:42:56]. They are people who know HHS, the programs that get run, the people that they serve very, very well and are committed to the mission of the department and the agency. Neither of those alumni would I expect to see come back in a second term.

But if his choices reflect a similar set of allegiance to that Republican establishment thinking around how to govern, that would lead to I think a set of policies around, as I alluded to, waiver activation and encouraging state policy innovation. If the cabinet selections reflect more of a MAGA orientation, then I would expect initial policies to include things like personnel reforms within the career civil service ranks, revisiting NIH policy decisions and revisiting things that happened during the pandemic in a different way. So that first tier decision will give us a sense of which pathway we should expect those initial decisions to reflect.

Larry Levitt: So we're unfortunately coming to the end of our time, it went by fast, and I think we could go on forever, certainly judging by the questions we've been getting. I want to ask each of you just a final question. You're both powerful people, not all-powerful people, so you can't control everything. But what is one or two, if you want, issues that you would like to be talked about more by the campaigns, by the media that have not been talked about yet? And Chris, I'll start with you.

Chris Jennings: We are both has-been, used-to-be's, so I'm not sure how powerful we are, but. I mentioned the physician payment reform and because I do think that's important for how we care for vulnerable populations and Medicare beneficiaries over time. And I think our whole focus on specialists versus primary care for decades and decades has all been wrong. That's one thing that's in most people's parlance boring, but I think very important. I think the AI thing is really interesting. I think people just talk about they have no idea what it means.

The other one I would say that is a missing piece or that is almost inevitable, it's been talked about a little bit in the care economy kind of concept, but the whole longterm care issue is out there. It's out there in spades. It's something that people are extremely worried about and it's not just an elderly issue, it's a sandwich generation issue. And people are very, very concerned about the length of time that they would be exposed to that type of cost. And I think that

is an issue area that while Kamala Harris has addressed it to some extent to date for sure, I don't think it's broken through in a significant way, as has not many other healthcare issues writ large except maybe a little bit this week where we saw the campaign beginning to talk about more the consequences of the Trump administration. I think the next couple of weeks probably will be more about what she will be doing on that front.

Jennifer Young: And in this instance, I do wish Chris were all-powerful because I would love for us to be having those kinds of conversations as we think about our leaders for the next four years. That substantive discussion about important healthcare policy appeals to my inner health policy geek and I think all of us. Those are the kinds of important issues that we should be focused on. I would add to that list of access to innovation. We are seeing just such explosive growth and amazing breakthroughs currently and soon to come through next generation cell and gene therapies. How our programs are able to accommodate those amazing innovations in a way that is affordable and accessible is an important conversation that I think we're all going to need to join [inaudible 00:47:23].

Larry Levitt: We will see what will happen over the next five weeks. Thanks to both of you for a terrific conversation and thanks to the audience for joining us and for the great questions. And I'm thinking this is a conversation we may want to return to when the dust settles from the election. Join us next time for the Health Wonk Shop.

Chris Jennings: Thanks, Larry.

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