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Virginia Gains if Obamacare is Replaced

By Michael W. Thompson

9/15/2017 -- The Obamacare health replacement debate has re-entered the public arena with the dramatic new effort by center-right Senators Lindsay Graham and Bill Cassidy. Their idea is to send block grants to the states to spend on state designed and managed health care systems.

A recent study on this bill by the health care industry consulting firm, Avalere, says that Virginia will gain \$3 billion between now and 2026 ([see study here](#))! So those wringing their hands here in Virginia over this new reform effort should not be so quick to ridicule it.

Health Care is the major issue that has defined the differences in political philosophies. The Liberal/Progressive end of the spectrum wants a path toward a single-payer, one-size-fits all, federal government mandated health care system and Obamacare is a significant step in that direction. The Conservative/Libertarian side of the political spectrum wants health care to be designed and executed by our state governments, where there is more input from the citizens than at the federal level. And that will produce broader support than we see today when insurance prices are skyrocketing and more than half of the counties in our 50 states have no insurance coverage or only one option -- not what was promised under Obamacare.

It makes sense that our states, if given the opportunity, will be able to design a health care system that better fits the needs of their citizens.

The knee jerk opposition by those who are totally committed to Obamacare, especially those here in Virginia, need to take a look at this Avalere study mentioned above. Virginia will gain \$3 billion. That's quite an increase in federal health care dollars coming into our state over the next ten years.

The biggest change this new legislation will require is that health care monies, including those for Medicaid, will be sent to the states in block grants, something that many center-right politicians and intellectual leaders have advocated for years. If that happens, then our nation will have the chance to create a health care system that will vary from state to state and will provide different and innovative approaches including a better system for those who qualify for Medicaid. These folks need a truly creative, market-oriented, modern health care system and our states will be able to craft.

Each state will likely approach their new health care responsibilities a little differently. What works in one state may not in another. And when some new approach does work, other states can decide whether it makes sense to pick up that idea, re-mold it to fit their own state's circumstances and provide what should be better health care services than the Obamacare does today. These state systems will provide more innovations in delivery ideas at a lower cost than does the current federal government approach to health care.

The center-right leadership in our country has been advocating for years that Medicaid and other health care responsibilities be sent to the states. States would now be given the freedom to create a health care system that will hopefully deliver better care for a less expensive price tag.

Indeed, simply by reducing the federal government bureaucracy should bring substantially more money to the states. If this new system is efficiently and effectively designed, then significantly fewer federal employees will be needed to execute this program. By reducing the "overhead" in Washington DC will provide more money to the states.

The Graham-Cassidy approach puts those who have been advocating for more state control of the health care dollars in a position they have dreamed about for years – to control at the state level how health care money is spent. This opportunity is exciting and will force these advocates of local control to actually put their idea into practice. What a wonderful challenge and incredible opportunity!

If this dramatic change in health care policy actually becomes law, then our next Governor will have a huge new responsibility to create a modern, better managed health care delivery system than we have today. That is quite a legacy that will be waiting for who we elect in a few short weeks.

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