



News Notes

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VOLUME 16 | ISSUE 2 | FALL 2020 | RECENT EVENTS

Celebrating 40 Years of Employers for Leadership and Value in Healthcare



Representative Charlie Dent
Celebrating 40 Years of Employers for
Leadership and Value in Healthcare
Tuesday, September 1, 2020



Former Congressman Provides Political Update

Former U.S. Congressman Charlie Dent predicted that the pharmaceutical industry will be on the defense regardless who wins the presidential election. Dent, who represented the 15th District for 14 years after serving in the Pennsylvania legislature for 14 years, shared his insights regarding the election and Washington politics during the September 1st LVBCH employer webinar, Celebrating 40 Years of Employers for Leadership and Value in Healthcare.



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Should the Democrats “run the table” – meaning they retain control of the House of Representatives and gain control of the Senate and the Presidency – expect them to focus on pharmaceutical pricing, rather than a single payor system. Democrats have proposed pharmaceutical including price controls, basing the price Medicare pays for pharmaceuticals on an international price average, and allowing the importation of drugs from Canada. Likewise, President Donald Trump is also promising to reform pharmaceutical pricing and has already begun running ads bashing pharmaceutical industry.

In regard to single payer system, Dent doesn’t think it will be adopted soon. However, it will be a point of discussion with COVID-19 and the fact that people by the millions have lost their jobs and employer-sponsored coverage, consequently, having to go on Medicaid. Rather than a single-payer systems, the Democrats might support allowing certain groups to buy into Medicare such as people age 60-65 or those with pre-existing conditions. Furthermore, Medicare is currently under enormous stress financially and extending it to the entire population would significantly increase its cost, which is supported through payroll taxes.

On the other hand, he thinks that the Affordable Care Act (ACA), better known as Obamacare, is here to stay. Democrats will focus on ACA reform, including expanding subsidies. Dent has supported incremental change to improve the ACA. The fundamental mistake the Democrats made in 2009 and 2010 is that they developed and adopted it without Republican support. By the time, the Republicans took control in 2107 millions of people were participating in the program and it was no longer feasible to take the benefit away. Actually, after Obama was reelected in 2012, Dent told his Republican colleagues that, “The tree is growing and you can’t unplant it.”

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Rather than continuing to fight about the ACA, Dent suggests that the parties work together to replace some parts, while repairing, reforming and retaining others. While in Congress, Dent urged changes, such as bringing the ACA under the Appropriations Committee, shoring up the exchanges, and repealing the medical device tax. “If the country wants a durable, sustainable change to a major policy, it has to be done in a bi-partisan way.”

Dent doesn’t think the U.S. Supreme Court will rule the ACA is unconstitutional. Chief Justice Roberts had the opportunity to strike down the law a few years ago and did not, making it clear that setting policy wasn’t the job of the Supreme Court. Further, if Obamacare were to be thrown out, what would happen to the people who were covered through the exchanges or those covered through Medicaid expansion, including 800,000 additional people in Pennsylvania. “We can’t simply do a repeal and replace, and then say 24 million people would be without coverage.”

In fact, just before President Trump’s inauguration in January 2017, Dent argued that point to then House Speaker Paul Ryan and about eight other Republicans when Ryan said the Republicans would repeal Obamacare and then develop a replacement.

Dent recalled his reaction at the time, “My heart’s about to pop out my chest, I said Paul, you know you cannot do that. If you repeal this without a replacement the insurance markets will explode. They’ll collapse. How can they price a product if they don’t know what the rules are.”

Dent also had a disagreement with President Trump over the effect his plan to replace ACA would have on Medicaid coverage and funding. “Trump said it has to pass; winning is about winning,” Dent recalled. “I said it was a little more than that it’s about doing it right and not messing up the system any more than it’s already messed up. He didn’t take that well. But that’s the challenge, it’s an enormously complex issue.”

Dent also strongly disagreed with Trump’s use of the White House as a backdrop for the National Republican Convention and Secretary of State Mike Pompeo’s speech, which he said violated all sorts of rules, laws and conventions. As the former Chairman of the House Ethics Committee, Congressmen were strictly prohibited from mixing official duties with partisan activities.

He doubts that the Republicans and Democrats would work together to overcome the challenges in healthcare and others faced by our nations because there is little incentive for them to do so.

Asked how to lower healthcare costs, Dent said one way companies have responded is by self-insuring. Even small companies have been able to do so with the help of stop-loss policies.

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Dent also discussed the nation’s response to the COVID-19 pandemic, saying our nation’s biggest mistake was not responding fast enough, in part because the Chinese concealed the threat. Also, more federal guidance has been needed to deal with a pandemic like this is. “The irony of the whole thing is no country in the world has a better federal health infrastructure – the National Institutes of Health, the Centers for Disease Control, the Federal Drug Administration. The fact we weren’t able to contain this is really painful to watch. (As a congressman), I dealt with Ebola. I dealt with and Zika and it was the United States –the CDC and NIH – who led globally.”

Dent added that he’s concerned about the economic recovery because it will take a while for people to regain their confidence. People are moving out of cities due to COVID and the enhanced criminal activity and he is concerned about the effect on cities.

“The pandemic is going to change our lives in many ways we never imagined a year ago,” he said. “But I’m confident that we’re a resilient country and we will figure it out, adapt and make do but there will be adjustments.”

PREDICTIONS REGARDING THE ELECTION

- The presidential race will tighten up. Candidate Joe Biden is ahead in the polls nationally but Dent cautioned that we don’t have a national election in this country, we have 50 state elections.
- The Senate is very much in play and most likely it will go to whichever party wins the presidency. The Democrats will need to take four seats currently held by Republicans. Representatives in jeopardy are Martha McSally in Arizona, Cory Gardner in Colorado, Thom Tillis in North Carolina, Joan Ernst in Iowa, Steve Daines in Montana, Kelly Loeffler and David Perdue in Georgia, Lindsey Graham in South Carolina and Susan Collins in Maine. In a good night Democrats could win four or five seats and on a fantastic night six or seven.
- The House of Representatives will remain in the control of the Democrats. Typically the House does not change during presidential election. About 20 Republican and 35 Democratic seats are very competitive. Several Republicans have retired and North Carolina and Pennsylvania have redistricted.
- Pennsylvania has six very competitive races, three held by Republicans and three by Democrats. Here in the Lehigh Valley, Democratic incumbent Susan Wilde, who has raised a lot of money, is being challenged by Lisa Scheller, who has the ability to self-fund. In Bucks County Republican Congressman Brian Fitzpatrick is in a tight race against challenger Christina Finello.

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- In regard to potential problems with the election, Dent said he believes mail-in balloting is less secure than in-person balloting but thinks there is very little fraud. He is more concerned about the mail being slow and disputes related to ballots that come in after the election. He would like to see states begin to count mail-in votes before the election. In the Pennsylvania primary, for the first time ever voters were able to get mail-in ballots without having an excuse. The change created several hiccups. For example, it took several weeks to validate the vote count for a race in Allentown and another one in Philadelphia.

INTERESTING FACTS

- Charlie Dent's uncle Henry Dent, owner of Dent Manufacturing Company, formerly the Dent Hardware Company in Fullerton, served on the LVBCH Board of Directors from 1983-85.
- Chief Justice John Roberts' father, the late Jack Roberts, ran the Bethlehem Steel Plant in the 1980s, where he worked with Dent's father.

ABOUT CHARLIE DENT



Congressman Charlie Dent currently serves as a Senior Policy Advisor to DLA Piper and is also a Political Analyst for CNN, a Visiting Fellow for the University of Pennsylvania, Perry World House and a Distinguished Advisor for Pew Charitable Trusts. Previously, he served 7 terms in the U.S. House of Representatives representing the 15th Congressional District of Pennsylvania. During his time in Congress, he was a senior member of the House Appropriations Committee, chaired the Subcommittee on Military Construction, Veterans Affairs and Related Agencies, and served as Chairman of the House Committee on Ethics. He was co-chair of the Tuesday Group, a member of the Speaker of the House's weekly cross section lunch, and a member of the Majority Leader's Chairman's Table. He holds a BA in Foreign Service & International Politics from Pennsylvania State University, a Master's of Public Administration from Lehigh University, and an honorary Doctor of Laws from Moravian College.

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