

Rep. Chris Collins Interview

Conducted by Howard Owens

The Batavian

July 26, 2017

Edited lightly for readability and clarity.

Q. It's been since July 5th that we talked and there has been all this hold up in the Senate and maybe there's some movement today but where are we now and where do you personally see this going and what do you think you have to do going forward?

A. The fact that we got past the procedural vote, God bless John McCain for flying in the after his health issues and in casting effect the deciding vote -- certainly Pence was the tiebreaker but absent John McCain we wouldn't be where we are now which is debating something that they will bring to a vote and pass with 50 votes. I think many of us right what they call the skinny repeal to probably be the only thing they can agree on, which is the repeal of the employer mandate, individual mandate, medical device tax and could but not certainly include some rollback in the expansion, the Medicaid expansion, to what we would call the standard FMAP so New York it would be 50-50 instead of 90-10. That one's more ifffy than the other three, which is employer individual mandate and medical-device tax.

We would be disappointed in the House if that's all they can pass. A lot of us are betting that is all they can pass but we are also betting they will pass that. So, we'll see. If we get something out of them, and if there's an economic piece in there, and certainly the medical device tax, that's money that could go into research and development. It's not what we want. It's not comprehensive. It's something. If it shows up then that would suggest the conference and appointing conferees to then

build on that but then it would have to go back to the Senate would have to come back again to the House.

There's two thoughts there -- one that we get something in that vein the other is we don't in which case the house votes on the skinny repeal, and I've acknowledged the Press today, I would vote in the affirmative for the skinny repeal if it's that or nothing. Disappointing? Yes, but if it's that or nothing we would do it and move on.

I had lunch today with Secretary Price of HHS and we talked about his focus on rules and regulations and definitions and interpretations and so forth. He's trying to fill out his staff with the Senate confirmations but we may have to go down that path. HHS has incredible latitude and authority as granted by Obamacare and in the areas of defining and rulemaking and in the like. So, we don't know but I can tell you of a lot of us were afraid we've never even get through the procedural motion which we've gotten through and I don't think that the Senate voted to move into debate to then end up with nothing. I really don't and I think the skinny repeal is probably where they're going to end up in which case it may well be all that we pass this year but anything more than that is something I'd certainly hope for but I'm a realist.

Q. So let's say skinny repeal passes. It comes back the House. That passes. Is that where it ends for this session or do you there still be something you'd want to pursue?

A. Nah, that's where it would end. Now, I'm going to pursue, John Fasso and I are going to continue to pursue our Medicaid language and find something else to attach it to because we have some other must pass stuff. We've got S chip that's got to pass. We've got some extenders that need to pass, so let's just say John Fasso and I are not giving up on the Medicaid piece regardless of whether that ends up in this

or not. Let's say, the Senate can't pass anything what would be what would you want to do going forward?

I don't think that's going to happen. The 50 Senators that coalesced around debate, I think the worst, call it the worst, the worst is the skinny repeal.

Q. Okay do you have time for one more question?

A. Sure.

Q. I actually had a couple things were going back over the interview where I wanted to clarify but I'll go to this is the last item first and if there's time after we can do more.

I asked you a question in my attempt to understand your base philosophy and going back I realized I don't think I have the clarity I was looking for and will try to rephrase the question.

There are approximately 51 million Americans not covered by employer or government coverage. Obviously, out of 51 million people we don't know all the stories but let's use one I think a realistic supposition. Let's say a small business owner, he comes up to a time where he's got a choice and buy a new truck. It's a chance to stay business or grow his business. It's that or he can have health insurance. He chooses the truck and then finds out he has cancer. He won't qualify for Medicaid because of his assets in his income if he gets rid of the truck he's out of business and then he can't afford health insurance anyway so he's in the situation we're in the current scheme of things he can't afford insurance. In that kind of

scenario what do you think is the government's role and ensuring that everybody has access to the kind of health care that they need to keep themselves alive?

A. I don't understand when you say he can't afford insurance. Now, if he doesn't have income he would qualify, but let's say we end up where we are in Obamacare still there he goes up and signs up for insurance.

Q. That's true potentially.

A. Now, if all we do is the skinny repeal he can go sign up for insurance.

Q. What I'm trying to get at is what you believe is the government's role in ensuring nobody goes without vital health care regardless of their ability to pay or the situation their situation in life, because there are all kinds of situations –

A. There are and that's where we were trying to get at with our American Health Care Act, which is we have Medicare, we have Medicaid, employer-based insurance, and there's all kinds of reasons other people don't have it and that's where, prior to the Affordable Care Act people really did get decimated by having a pre-existing condition, what would then be considered pre-existing because they didn't have insurance when they came down and were diagnosed with cancer so we said you know there's all these different reasons so worst case you'll have an affordable policy with a 30 percent up charge for 12 months at the end of which there's your penalty your penalty is you didn't have insurance you got to pay 30 percent more for your policy for 12 months and then you go back to the same rate everyone else is paying.

If you got cancer that is not a big downside to say you're going to pay 30 percent more for 12 months which means were taking care of people that that are

considered pre-existing condition because they did not have insurance when they are diagnosed. We think that is a very fair proposal and no one's going to go bankrupt on that and I think that was that was fair. If we only do the skinny repeal Obamacare continues the next person just goes and signs up for insurance next day.

Q. The pre-existing condition issue comes back to something else we talked about and to me it was kind of a “I say tomato you say tomahto” sort of thing where I talk about the risk corridors and how that money was defunded and you said that and you know companies in the race to get more patients you would negligently price their products knowing their losses would be covered by the federal government –

A. Yeah, that's how it started. There are no two ways about it. Either one year or two.

Q. So the insurance companies proceeded on the assumption that the government is making this promise to reimburse them for taking on pre-existing conditions and you're saying that it was wrong for them to expect that.

A. No. I'm saying was wrong for them to make the assumption all these young people would sign up for a bad product and their actuarial assumptions were bogus from the beginning and they knew they were bogus from the beginning but they knew that they'd be held harmless so they did it anyway to grab market share.

Q. Is that still justification for the Republicans to defund the risk corridors to by a tune of what \$5.8 billion. It is what it is. Shouldn't they have been covered? The idea of the risk corridors --

A. We did cover them. They got their money. They got their money and now they have three years of actuarial data. They should be on their own. Part of the reason with no one knew what we didn't know so the risk corridors were put in, I'm saying they (insurance companies) gamed the system. They priced the product low when they knew they would be reimbursed by the government. That all turned to mask how bad Obamacare was. It was masked for three years through this risk corridor reimbursement. Well, now the emperor's got no clothes and we see him standing there naked. That's what ended up happening when we stopped (the risk corridors). Now they have three years of actuarial data to know where it's got to be priced and sure enough, Blue Cross Blue Shield just announced a 47 percent price increase."

Q. Weren't the risk corridors supposed to be for 10 years?

A. The risk corridors made the assumption to be in there be areas where there was profits. There weren't any. If there were they still be there were saying you cannot take monies that don't exist. It was it was never supposed to cost the government anything. It was, oh this insurance company underpriced, this one overpriced, this one's got profits in it excess what they intended. It was always take the excess profits redistribute to those people who have unexpected losses with a zero cost of the federal government. It turned out nobody had any excess profits nobody had any at all.

Q. Okay. So you're saying that's where the money was supposed to come from?

A. Well, that is and the pot's empty. Okay, now the government's got to pick up the cost because there's no money in the pot.