



# *Health Care Weekly Preview*

*Week of October 16<sup>th</sup>*

The Administration's actions last week to disrupt the Affordable Care Act (ACA) marks a new chapter in the Republican repeal effort. The cost-sharing reductions (CSRs) that plans receive to cover lower-income individuals will no longer be paid meaning insurers will lose money for the final three months of this year and the indefinite future, creating implications for the upcoming year if plans decide to no longer participate in the marketplace. This decision follows immediately behind the Administration's [executive order](#) to direct agencies to consider expanding coverage through Association Health Plans (AHP) and short-term limited duration insurance plans. These actions coupled together send rippling effects across the Marketplace and issuers.

California along with 18 other states and the District of Columbia filed a lawsuit against the Trump Administration for undermining the ACA, arguing that withholding the payments violates a mandate in the law. While states like California included a surcharge for 2018 plans to account for the anticipated withholding of CSR payments, the cut if unaddressed or not struck down by the courts could lead to even larger increases in 2019. With the Administration digging in against the ACA, will insurers bet on the courts to continue payments long enough for Congress to address the funding shortfall?

The stakes are high for Congress with President Trump demanding something in return for any stabilization package. Senator Graham threw his support behind the HELP Committee negotiations but insisted that there also be ACA related reforms. And Rep. Mark Meadows asked what do Republicans get [in exchange](#) for continuing a bailout to the insurance companies. The HELP Committee continues its negotiations on a stabilization package, and there is also a bipartisan caucus in the House attempting to build momentum around a proposal. We wait and see if there are signs of a deal in HELP.

## **THIS WEEK IN THE HOUSE**

The House is in recess.

## **THIS WEEK IN THE SENATE**

**SENATE HELP (10/17):** The Cost of Prescription Drugs: How the Drug Delivery System Affects What Patients Pay, Part II (Tuesday 10 am).

**SENATE HELP (10/19):** Examining How Healthy Choices Can Improve Health Outcomes and Reduce Costs (Thursday 10 am),

## **ALL EYES ON HEALTH CARE**

This weekend, OMB Director Mick Mulvaney suggested that the President would not sign a standalone Alexander-Murray ACA stabilization bill. If we are trying to piece together how the rest of the year will play out in health care, it is becoming clear that there is no health care silo. Health care is part of a bigger jigsaw puzzle. All the pieces are likely to be part of a grand bargain including government funding, DACA, and whatever else needs to get worked out in a grand bargain to close the year.

*Don't forget to check out our blog at: <https://www.healthlawpolicymatters.com/>*