President Trump Signs Executive Order on Health Care

President Trump signed an executive order today that seeks to expand health care options while lowering costs by exempting certain health care plans from Affordable Care Act (ACA) rules. The order follows several failed attempts in the U.S. Congress to fully or partially repeal the ACA.

The executive order directs the Secretary of Labor to “consider” expanding access to association health plans (AHPs), as well as directing the Departments of Labor, Treasury, and Health and Human Services to consider expanding coverage through short-term limited duration health plans, which do not meet the coverage requirements of the ACA. The order also directs all three departments to consider changes to health reimbursement arrangements, which reimburse employees for health care costs.

The Academy’s Health Practice Council (HPC) has cautioned that carrying out this order on AHPs and short-term limited duration insurance could present significant risks and have unintended consequences for consumers and health insurance markets. The HPC has previously detailed the risks associated with expanding the availability of ACA-noncompliant plans through association health plans and short-term plans, including adverse selection, solvency concerns and diminished consumer protections.

If you have any questions regarding this Academy Alert, please contact David Linn, senior health policy analyst (linn@actuary.org; 202-785-6931).

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