HEALTH ISSUES
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Trump Administration Announces Ending of CSR Payments Immediately

The Trump Administration announced late Thursday night that cost-sharing reduction (CSR) payments will discontinue immediately after receiving a legal opinion from the U.S. Attorney General.

Federal funding for CSRs has been disputed under House v. Price, which challenges a lower court’s ruling in 2016 that determined the Affordable Care Act’s (ACA) reimbursements to insurers for CSRs were not validly appropriated by Congress. Reimbursements for CSRs have been decided on a month-to-month basis by the Administration this year. The ACA stipulated the federal government to reimburse insurers for these reductions, however, even without the reimbursements, insurers are required to provide the cost-sharing reductions to eligible enrollees and would need to raise premiums accordingly to cover the costs.

The Academy’s Health Practice Council (HPC) has urged Congress to immediately take steps to stabilize the individual health insurance market in light of CSRs ending and previously outlined why CSR reimbursements should be funded on a permanent basis.

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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