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Bipartisan Bustle:

Sens. Murray and Alexander Announce Marketplace Stabilization Bill

On Tuesday afternoon, Senators Patty Murray (D-WA) and Lamar Alexander (R-TN) announced a bipartisan agreement on a short term market stabilization bill (the Bill). This deal was the result of months of bipartisan talks between the leaders of the Senate Health, Education, Labor, and Pensions committee and multiple hearings where stakeholders, including governors and state insurance commissioners, testified to the importance of market stabilization and plan affordability.

The Bill is particularly important given the White House's statement last week, announcing that the Department of Health and Human Services (HHS) would immediately stop reimbursing insurers for Cost Sharing Reductions (CSRs). Cost Sharing Reductions lower out-of-pocket costs for millions of consumers who enroll in silver level plans on the Marketplace. Insurers who offer CSRs have regularly received federal reimbursements to offset these costs. While federal payments for CSRs ended following the statement, insurers remain obligated to provide reduced cost-sharing for eligible consumers. With Open Enrollment approaching quickly, state advocates and consumers were left with many questions as to how this move would affect state Marketplaces and the federal deficit.

The bi-partisan bill (the Bill) features a clear appropriation for federal CSR reimbursements from the enactment of the bill through the end of 2019.[1] The Bill also directs the Secretary of HHS to allocate $105.8 million dollars for outreach and enrollment activities for the Open Enrollment periods in 2017 (for the 2018 plan year) and in 2018 (for the 2019 plan year). This dedicated funding would replenish some of the drastic cuts the Trump Administration announced at the end of August.

The Bill also includes provisions that provide more flexibility and expedited review to Section 1332 waivers. Section 1332 of the Affordable Care Act (ACA) currently allows states to apply for waivers of key ACA provisions (such as Essential Health Benefits or cost-sharing limits) in order to modify their state's health insurance market. The Bill proposes to simplify the process by allowing governors to certify and submit waiver proposals. While the Bill includes language intended to protect the health of vulnerable populations, advocates will need to remain vigilant as exemptions from key ACA provisions could have positive or negative effects on consumers.

The Bill also expands eligibility for catastrophic plans to people over thirty years old. These plans provide coverage of essential health benefits at a low premium, but with a very high deductible. Currently, consumers must be under thirty

[1] A 2016 judicial decision ruled that federal CSR reimbursement were unconstitutional due to a lack of congressional appropriation. The decision was appealed by the Obama Administration, but has since been repeatedly stayed since President Donald Trump has entered office.

years old or qualify for an economic hardship waiver in order to enroll. This Bill proposes to expand eligibility by allowing anyone of any age and any income level to purchase a catastrophic plan.

With the health care reform landscape changing daily, advocates will need to stay alert for quick movement on the Bill and a score from the Congressional Budget Office. President Donald Trump, along with certain members of Congress, have already shown opposition towards ideas within the Bill. Stay tuned to future Health Care in Motion reports as this Bill gains traction in Congress and learn how advocates can use their voices to protect affordable access to health care.

Interested in what last week's Executive Order and White House statement about CSRs mean for the Insurance Marketplace? Watch this webinar co-organized by AIDS Alabama, AIDS Foundation of Chicago, AIDS United, Positive Women's Network, and Treatment Access Expansion Project.

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