



NATIONAL HEALTH COUNCIL

## **Proposed ACA Stabilization Platform**

With stalled efforts to repeal and replace the Affordable Care Act (ACA), Congressional leaders will shift focus to stabilizing the individual insurance market upon return from the August recess. In this vein, the National Health Council (NHC) supports principles focused on stabilizing risk, increasing participation, and improving the patient experience.

### **STABILIZE RISK:**

#### ***Assure Funding for Cost Sharing Reductions***

Assure stable funding for the Cost Sharing Reduction (CSR) payments to insurers. The CSR payments are vital to stabilize premiums for beneficiaries and maintain adequate issuer participation in markets across the country. The CSR payments must be made in the near term and permanently continue into the future without lingering uncertainty. Congressional leaders, insurers, and state regulators have all recognized that failure to provide the payments and/or assurances of funding in the future will destabilize insurance markets, increase costs, and limit coverage options at the expense of patients.<sup>1</sup>

#### ***Establish a Stability Fund***

Establish a fund to stabilize the market, lower premiums, and protect plans that enroll higher-cost individuals. A stability fund would be established by the federal government and be allocated to states to create reinsurance programs or similar efforts to improve their insurance markets. Unlike programs that were established in previous legislation, it would maintain current patient protections and provide more direction and oversight from the federal government.

### **IMPROVE PATIENT EXPERIENCE:**

#### ***Support Navigator Programs***

Explore ways to streamline the application and enrollment process to enhance the patient experience. Continued training and funding for Navigator programs is critical to meeting enrollment targets and ensuring patients are obtaining the types of insurance coverage they need.

#### ***Maintain Financial Assistance***

Maintain federal financial support through tax credits and assure that their distribution is targeted at the most vulnerable patients. Congress must preserve sufficient financial support as patients rely on these funds for assistance with their premiums, deductibles, and/or copays, especially those who face great financial challenges in daily life. They also help create a larger risk pool by encouraging more people to enroll. Future reforms that aim to close the coverage gap in non-Medicaid expansion states and increase funding for those less likely to enroll, such as younger Americans (while not punishing older people) should be considered.

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<sup>1</sup> The Effects of Terminating Payments for Cost-Sharing Reductions. Congressional Budget Office. August 2017. <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53009-costsharingreductions.pdf>



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### **INCREASE PARTICIPATION:**

#### ***Strengthen Outreach***

Strengthen outreach to increase participation and sustainability in the insurance markets. Sufficient federal resources are required to enhance outreach efforts and drive awareness. Outreach efforts should be customized and targeted at younger, healthier enrollees in order to support robust and adequate risk pools. Adequate funding and tailored outreach are essential for helping patients enroll in the appropriate health insurance option, and encouraging enrollment across the insurance markets more broadly. Additionally, targeted outreach to insurance providers should be conducted to encourage greater participation and competition.

#### ***Monitor and Address Bare or Limited-Choice Counties***

While many of the other proposed solutions are intended to increase competition between plans, plan participation must be continually monitored at the county level. In instances where counties have no options or only one option, solutions must be developed as a fallback policy solution. One potential option is to leverage other state-based or federal insurance plans already in operation.

### **ADDITIONAL INFORMATION:**

#### ***Bipartisan Governors' Marketplace Stabilization Proposals***

On August 31, a bipartisan group of governors, led by John Kasich (R-OH) and John Hickenlooper (D-CO), released a set of recommendations<sup>2</sup> to stabilize and strengthen the marketplaces. Many of the proposals align with the NHC's recommendations, including:

- Funding the CSR program;
- Strengthening outreach efforts;
- Creating a temporary stability fund; and
- Addressing underserved counties by allowing people to purchase plans from the Federal Employee Health Benefits program.

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<sup>2</sup> [https://www.colorado.gov/governor/sites/default/files/press\\_releases/bipartisan\\_governors\\_blueprint.pdf](https://www.colorado.gov/governor/sites/default/files/press_releases/bipartisan_governors_blueprint.pdf)