

# Trump could defund CSR payments, which would further destabilize the Obamacare markets

Actions Trump could take to implode the ACA



## 1. Defund cost-sharing reduction payments to insurers

- Trump is expected to make decision on whether to continue payments the first week of July
- These payments are approximately \$7 billion this year -- making up about 15% of all federal subsidies
- A federal district court ruling last year states that Congress must take the reins if the Trump administration doesn't continue making the payments
  - GOP congressional leadership hasn't showed too much interest in continuing the payments either
    - Mitch McConnell: without real health care reform, he and his GOP colleagues have said they aren't interested in "bailing out" insurers
- On the insurers side, there is a mutual understanding that guaranteeing funding for the CSR payments would improve and stabilize the marketplace
  - Important dates: mid-August deadline to finalize premiums for next year



## 2. Weaken the individual mandate

- Decision to weaken the individual mandate would come from
- HHS is likely broaden the exemptions that would be granted because it's the IRS that actually enforces the penalties, not HHS