

TRUMP AND THE ACA

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FEATURES	AFFORDABLE CARE ACT 	TRUMP ADMINISTRATION 	COLORADO IMPACT 
Coverage Requirement	Individual Mandate: Most people must obtain health insurance or pay a penalty of 2.5% of household income or \$695 per adult, whichever is greater.	President Trump signed the new tax reform bill into law, which reduces the individual mandate penalty to \$0.	Unclear, although one estimate projects 235,200 fewer Coloradans will have health insurance by 2025.
Pre-existing Conditions	Bans insurers from denying coverage to people with pre-existing medical conditions or charging them more.	The Department of Health and Human Services (HHS) introduced short-term policies as an insurance option. These plans do not include pre-existing condition coverage requirements.	Could possibly divert young and healthy adults from purchasing individual insurance plans from the state insurance marketplace, resulting in smaller risk pools. Although Colorado requires short-term plans to accept all applicants, such policies are not required to cover pre-existing conditions.
Tax Credits	Income-based: Provides credits for people earning between 139% (\$16,000) and 400% (\$48,000) of federal poverty level. Credits are higher in areas with higher insurance prices.	No changes	No changes
Medicaid Eligibility Expansion	Expanded eligibility to all low-income people earning below 139% of federal poverty level. Federal government pays at least 90% of cost.	States can impose work requirements on Medicaid recipients. A few states have done so.	Colorado has not applied work requirements for Medicaid recipients and likely will not in the near future.
Medicaid Funding	Joint federal and state funding that covers all eligible residents and all permitted medical services.	No changes, but the administration has supported caps on federal funding.	No changes
Health Insurance Marketplaces	Creates online marketplaces to purchase individual insurance and designates marketplaces as the only place tax credits are available.	Although health insurance marketplaces still exist, open enrollment periods have been decreased along with funding for outreach efforts. The open enrollment period for 2019 coverage was from November 1 to December 15, 2018.	Colorado's state health insurance marketplace, Connect for Health Colorado, used an extended enrollment period from November 1, 2018 to January 15, 2019.
Essential Health Benefits	Requires insurers to offer 10 benefits in all plans.	Short-term policies and association health plans (AHP) are not required to offer 10 benefits in all plans.	In Colorado, all short-term plans must cover essential health benefits, such as preventive care, prescription drugs, hospitalization, and maternity and newborn care.
Cost Sharing	Provides cost-sharing reductions for households between 100% and 250% of the federal poverty level to reduce out-of-pocket costs. Must buy silver plan.	In October 2017, HHS stopped making cost-sharing reduction (CSR) payments. Insurance companies are still required to offer cost-sharing reductions to eligible customers, but the money comes out of their own pockets.	Colorado tells carriers to load their extra costs onto silver plans only in 2019, which makes premium tax credits bigger and lowers the subsidized cost of gold and bronze plans.
Health Savings Accounts (HSAs)	Caps tax-free contributions to an HSA at \$3,350 annually for individuals with high deductible plans. HSAs cannot be used to pay monthly insurance premiums; exception is for payment of Medicare premiums.	The administration has proposed higher yearly contribution limits, allowing HSA participants to pay premiums from these accounts, and replacing Medicare with HSAs, but the proposal has not taken effect.	No changes.
Employer-Sponsored Insurance	Requires larger companies to provide affordable coverage to employees or face a fine.	A proposed rule would allow employers to reimburse employees for the cost of individual health insurance coverage instead of requiring employers to provide group coverage.	No impact so far in Colorado since the proposed rule is still pending. If finalized, the regulation becomes effective on January 1, 2020.
High-Risk Consumers	People with expensive health conditions are in the same risk pool as everyone else, and they cannot be denied coverage or charged more.	Short-term plans could exclude high-risk consumers from participation and drive up costs for existing plans if young and/or healthy consumers move to short-term coverage.	Short-term policies are guaranteed-issue. This means that anyone who applies must be accepted. However, this does not mean that short-term plans must cover pre-existing conditions.
Contraception	Plans must cover contraceptive methods and counseling for all women, as prescribed by a health care provider, without charging a copayment or coinsurance. Plans aren't required to cover drugs to induce abortions. Some employers are exempt based on religious objections.	The administration issued rules in November 2018 that allow more employers to deny contraceptive coverage on religious or moral grounds. Legal challenges are pending.	None, because Colorado state law requires health insurance plans to provide coverage for contraception in the same manner as any other condition is covered under the policy.
Short-Term Policies	Limits the length of these policies to a maximum of 90 days.	Insurers can sell short-term policies, which are cheaper, that last up to a year's duration, with an option to renew for up to three years. Short-term plans can reject people with pre-existing conditions or decline to cover care for those medical problems. Some states allow consumers to use subsidies to purchase these plans, depending on income level.	Colorado restricts short-term plans to no more than six months.



NOTE: In June 2018, the Trump administration announced that it would not mount a defense in *Texas v. United States*, a lawsuit that would overturn the entire ACA as unconstitutional. Several pro-ACA states intervened in the case to defend the law. In December 2018, the Texas judge overseeing the lawsuit ruled the entire ACA unconstitutional. The ruling was not effective immediately, and the ACA remains in effect while appeals are heard and decided.