

## California's Efforts to Shield Consumers from Trump Sabotage

Since the November 2016 election, Californians have rallied together to protect our healthcare. We have strongly opposed and continue to fight against all efforts to repeal and replace the Affordable Care Act (ACA), cut and cap Medicaid, or undermine our overall health system. President Trump has repeatedly said that he will let the ACA “explode” and has taken numerous administrative actions to sabotage the law. In response and resistance, California has taken extraordinary actions to protect its residents and our health system so that consumers retain their coverage without extreme premium increases and, at the same time, keep our markets stable and competitive. Although California continues to have the will and wherewithal to proactively come up with solutions to ward off such administrative attacks, the continued possibility of an ACA repeal, federal pre-emption, legislative changes, and funding cuts remain a serious threat to our health care.

The following chart summarizes California's past and ongoing actions to protect consumers and our state's individual market.

TRUMPCARE	CALIFORNIA'S RESISTANCE
<p><b>Federal marketplace outreach, enrollment, and marketing budget is slashed</b> by 90%, from \$100 million to \$10 million for the entire country.</p>	<p>As a state-operated exchange with its own revenue sources, Covered California <b>increased its own outreach, enrollment, and marketing budget</b> by around 10% to \$110 million.</p> <p>This investment will pay off by fostering a healthier pool of consumers in the individual market, which in turn lowers premiums for everyone.</p>
<p>CMS “Market Stabilization Rule” <b>cut the annual open enrollment period in half</b>, from 90 days to 45 days.</p>	<p>California enacted AB 156 (Wood), which <b>maintains CA's existing 90-day annual open enrollment period</b> for future years, providing consumers with adequate time to shop, compare, and choose the best health plan option.</p>
<p>Federal uncertainty, both in funding and policy, causes <b>some health insurers to exit individual markets.</b></p> <p>Anthem Blue Cross stopped selling coverage in 16 of 19 Covered California regions, forcing 300,000 consumers to switch health plans, potentially disrupting their care.</p>	<p>Covered California worked to <b>keep all 11 insurers participating in the same 19 rating regions for 2018-2019.</b> California also enacted SB 133 (Hernandez), which extends existing <b>continuity of care protections</b> to people with coverage in the individual market. This gives people enough time to complete their treatment and find new doctors if they have to switch plans.</p>
<p>The Trump Administration <b>stopped payments for cost-sharing reduction (CSR) subsidies</b>, and Congress has yet to appropriate permanent funding for these payments.</p> <p>California stood to lose \$700 million in already budgeted payments to help over 750,000 low and moderate income people afford out-of-pocket costs.</p>	<p>Covered California kept premiums stable by finding a creative workaround to <b>hold consumers harmless</b> from a 12% surcharge needed to make up the lost money. The surcharge only applies to Silver plans in the exchange. <b>Almost all consumers saw their premiums stay the same or decrease</b> because they got higher premium tax credits. Those who do not get financial</p>

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	<p>help also do not have to pay the surcharge if they purchase a Silver plan off exchange.</p> <p>California Attorney General Becerra, along with 18 other state attorneys general, sued the Trump Administration for refusing to make the CSR payments as required by law.</p>
<p>Healthcare.gov scheduled maintenance to <b>take its enrollment systems offline for multiple Sundays</b> during open enrollment.</p>	<p>Covered California controls its own operations and has worked to keep call center waits short and <b>keep systems online</b> for key enrollment times.</p>
<p>The Trump Administration <b>rolled back ACA rules that require employers to provide for contraceptives</b> in their health plans with no out-of-pocket costs, allowing employers to interfere with women's health care based on a moral or religious objection.</p>	<p><b>California law requires health plans regulated by the state to cover contraceptives as a guaranteed benefit</b> and a no-cost preventive service (SB 1053, Mitchell, 2014). Over 6 million Californians in employer self-funded health plans do not receive this protection.</p> <p>California Attorney General Becerra has filed a lawsuit challenging the legality of the Trump Administration's actions.</p>
<p>President Trump signed an executive order <b>promoting "junk insurance" that would destabilize the individual and small group markets</b> and undermine protections for people with pre-existing health conditions. The executive order directs federal agencies to change federal rules to expand so-called short-term insurance and association health plans, which are not subject to the ACA's comprehensive marketplace standards that protect consumers.</p>	<p><b>California law limits junk coverage</b> and health advocates continue to monitor federal regulatory changes to determine necessary state actions and legislative changes to protect consumers and keep insurance markets stabilized.</p> <p>In 2018, Health Access is sponsoring SB 910 (Hernandez) to outright ban short-term junk insurance plans in California and SB 1375 (Hernandez) to ensure association health plan coverage meet ACA standards and state consumer protections.</p>

In spite of California's efforts to minimize the damage from Trump's deliberately destructive and destabilizing federal actions, millions of Californians are still at risk of losing affordable coverage under Congressional budget, tax, and health proposals. If we can keep Medicaid, Medicare, and the framework and financing of the Affordable Care Act intact, California has so far demonstrated the will and the wherewithal to develop workarounds to protect consumers from Trump's systemic sabotage of our health care system.