

# PRESS RELEASE



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## **CAHP Issues Statement Regarding Trump Administration's Decision to End CSR Benefits for Low-To-Middle Income Individuals and Families**

**Sacramento, CA** - California Association of Health Plans President and CEO Charles Bacchi released the following statement today regarding the Trump administration's decision to end cost sharing reduction (CSR) benefits.

"California planned ahead for the Trump administration's decision to end cost sharing reduction benefits for low-to-middle income individuals and families by announcing rates that include the CSR surcharge. The surcharge will only be applied to silver-tier plans, which limits the impact to enrollees. However, there are tens of thousands of Californians who purchase silver plans through Covered California who do not receive subsidies. They should look closely at what options they have during open enrollment to avoid the surcharge.

"Plans are committed to getting people enrolled for 2018 and to keeping their out-of-pocket costs for services such as medications, doctor visits, and hospital care affordable. We will continue to work closely with Covered California to provide consumers with the information they need to find the plan that will work best for them."

Cost sharing reductions are benefits that reduce low-to-middle income individuals' and families' out of pocket costs for health care services and were available only to silver-tier customers on the Covered California Exchange. The federal government was reimbursing health plans for a percentage of the cost for policies for enrollees eligible for CSRs. This allowed plans to provide people with lower costs at the point of service such as doctor's office or hospital visits, and lowered annual out-of-pocket maximums. Health plans receive no net financial gain from administering CSRs.

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*CAHP is a statewide association representing 49 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 25 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910.*