

Press Releases

May 18, 2017

#### ATTORNEY GENERAL MADIGAN TAKES ACTION TO PROTECT AFFORDABLE HEALTHCARE FOR MILLIONS OF AMERICANS

### Madigan & 15 Attorneys General Intervene in Pending Case to Defend Affordable Care Act

**Chicago** — Attorney General Lisa Madigan today filed a motion to intervene in a lawsuit filed by U.S. House Republicans that undercuts the affordability of health insurance plans under the Affordable Care Act (ACA) and threatens access to health care for millions of Americans.

The lawsuit, *House v. Price*, seeks to eliminate stable funding the law created to protect millions of working families from high healthcare costs. Experts predict that simply the threat to end this funding, known as cost-sharing reductions or CSRs, could destabilize the healthcare market and increase premiums by as much as 21 percent. The Trump Administration and Congressional Republicans have made it clear that their number one priority is to repeal the ACA and take away affordable healthcare.

"This Administration cannot be trusted to do what's best for hardworking families," Madigan said. "The consequences of withdrawing support for health care for Illinois residents who depend on help to get the treatment and care they need would be devastating. I will challenge any effort to eliminate our ability to provide affordable health care access to the individuals who need it the most."

CSRs reduce out-of-pocket costs, such as co-payments and deductibles, for low-income Americans. Under the CSRs, the federal government is required to provide payments to health insurers to subsidize the costs for the CSRs. In Illinois, more than 175,000 residents benefit from CSRs and make up nearly half of the enrollees in the state's health insurance marketplace. These residents benefit from a total of \$163 million in CSR payments annually, which are in jeopardy under the lawsuit. If the CSR funds are no longer distributed, insurance premiums could increase dramatically or insurers may decide to exit Illinois' ACA marketplace, leaving those residents with very few – if any – health insurance options. Currently, 67 Illinois counties have only one issuer for the individual marketplace through the ACA.

In President Trump's own words, the House v. Price lawsuit could "explode" the ACA and leave millions of Americans without affordable healthcare coverage.

Joining Madigan in filing today's motion to intervene were attorneys general from: California, Connecticut, Delaware, Hawaii, Iowa, Kentucky, Maryland, Massachusetts, Minnesota, New Mexico, New York, Pennsylvania, Vermont, Washington and the District of Columbia.

A copy of the motion can be found here.

#### Background on House v. Price:

The cost-sharing subsidies help working families access more affordable healthcare coverage by helping individuals with incomes between \$11,880 and \$29,700. The Kaiser Family Foundation projects premiums will increase by 19 percent on average across the country to compensate if there is a loss of the subsidy payments, finding that the premium increases would be higher in states that have not expanded Medicaid (premium increases of 21 percent).

House Republicans sued the Secretary of the Department of Health and Human Services (HHS) during the Obama Administration, challenging the legality of making the cost-sharing subsidies. A district court judge ruled in favor of the House, but the ruling was appealed in order to protect access to healthcare, and the subsidies were permitted to continue pending appeal. After the election, the House requested that the case be held in suspension while the newly-elected President Trump had time to make decisions

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regarding the case. During this time, the President has continually played politics with people's access to affordable healthcare, including threatening to shut down the federal government by taking health care subsidies away from Americans who need health care.

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