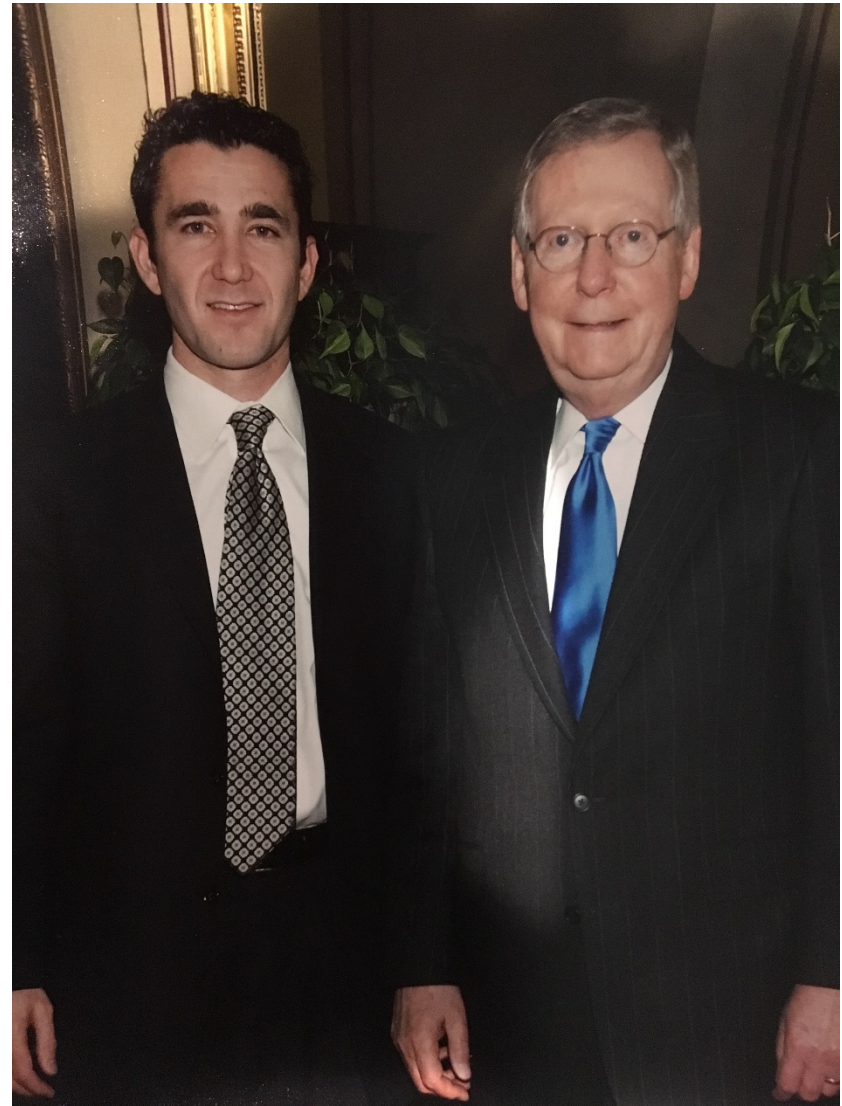


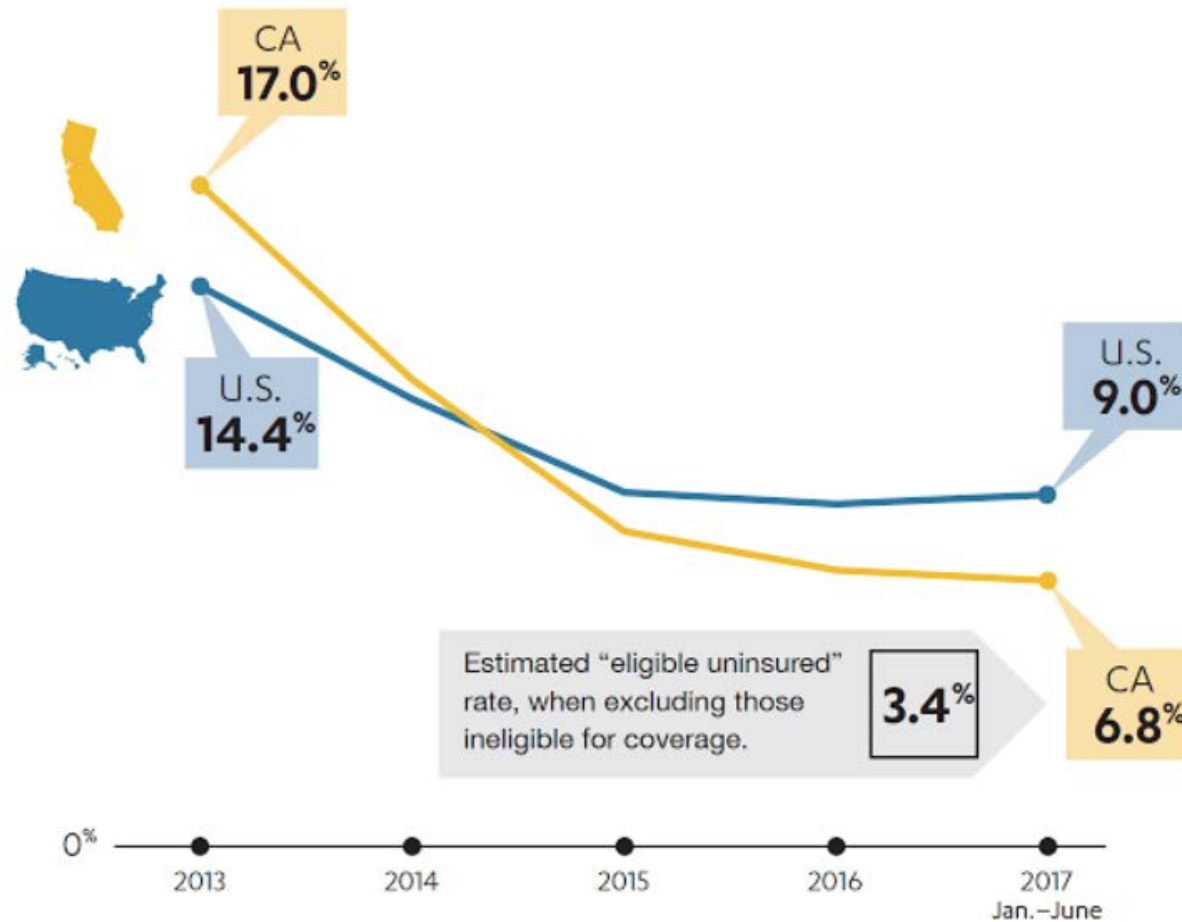
Solutions for Stabilization

Andy Chasin, J.D.
Policy Director, Blue Shield of California

I work for a California Company, but...



We're making important progress



Keeping the individual market in perspective

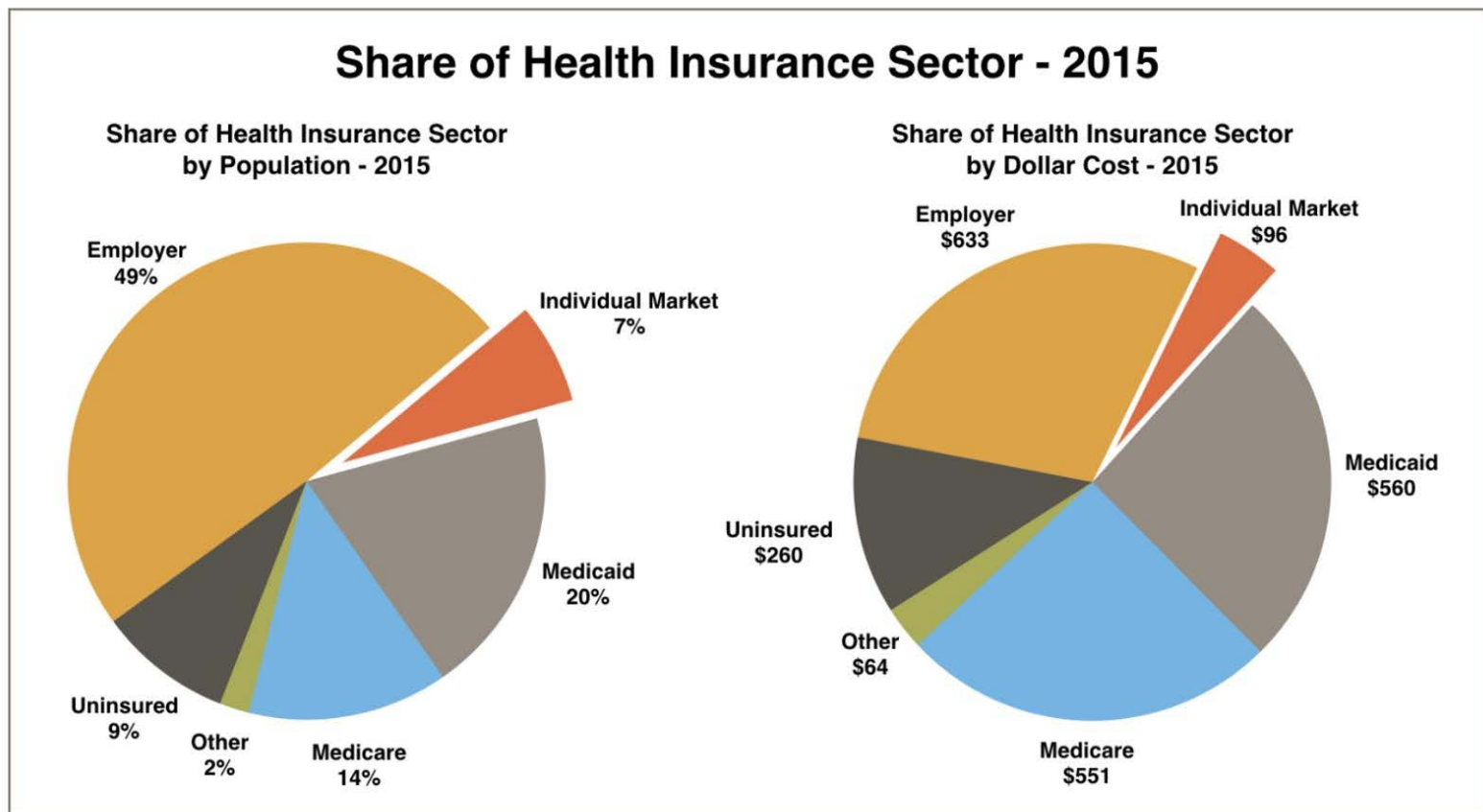
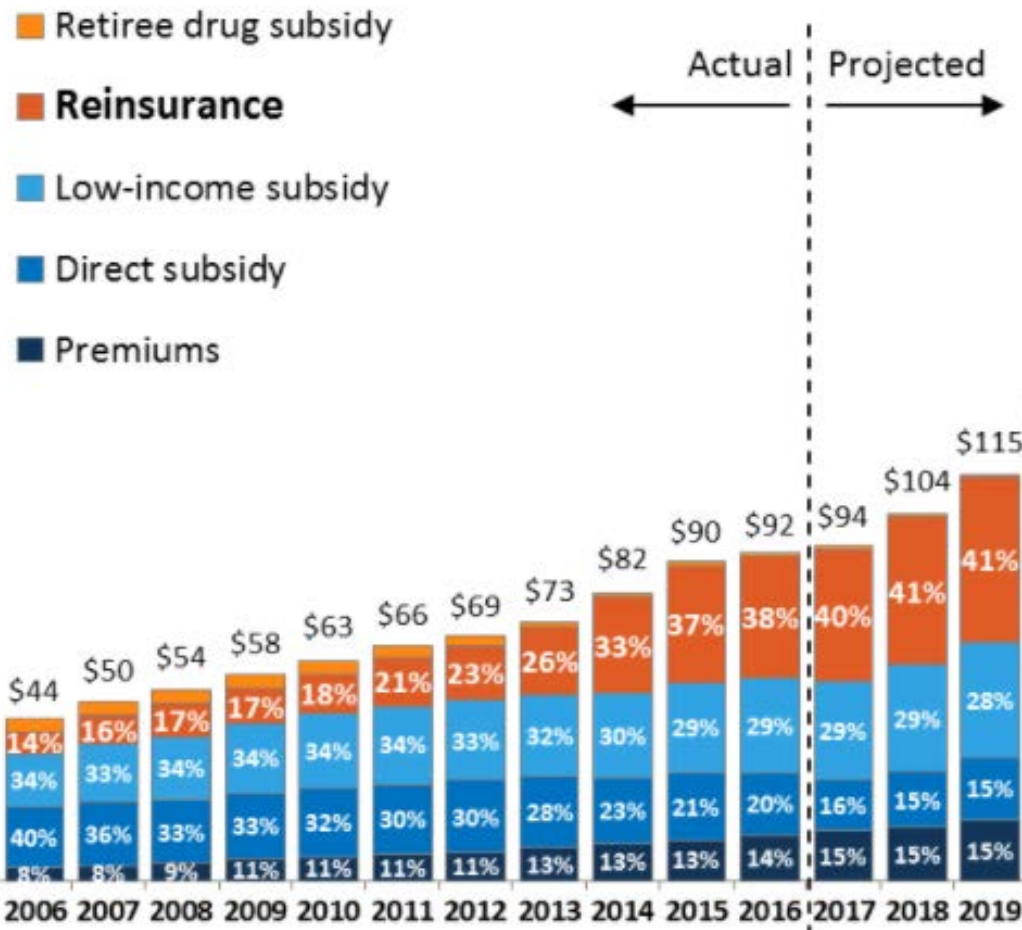


Figure 2. Shares of Health Insurance Sector. The Individual Market comprises a very small part of the of the entire health insurance industry. Consequently, premium pricing or insurance policy terms will have little or no effect on the entire industry.

Reinsurance works

Annual Medicare Part D spending, in \$ billions



Reinsurance was included in both the House and Senate Repeal and Replace bills

115TH CONGRESS
1ST SESSION

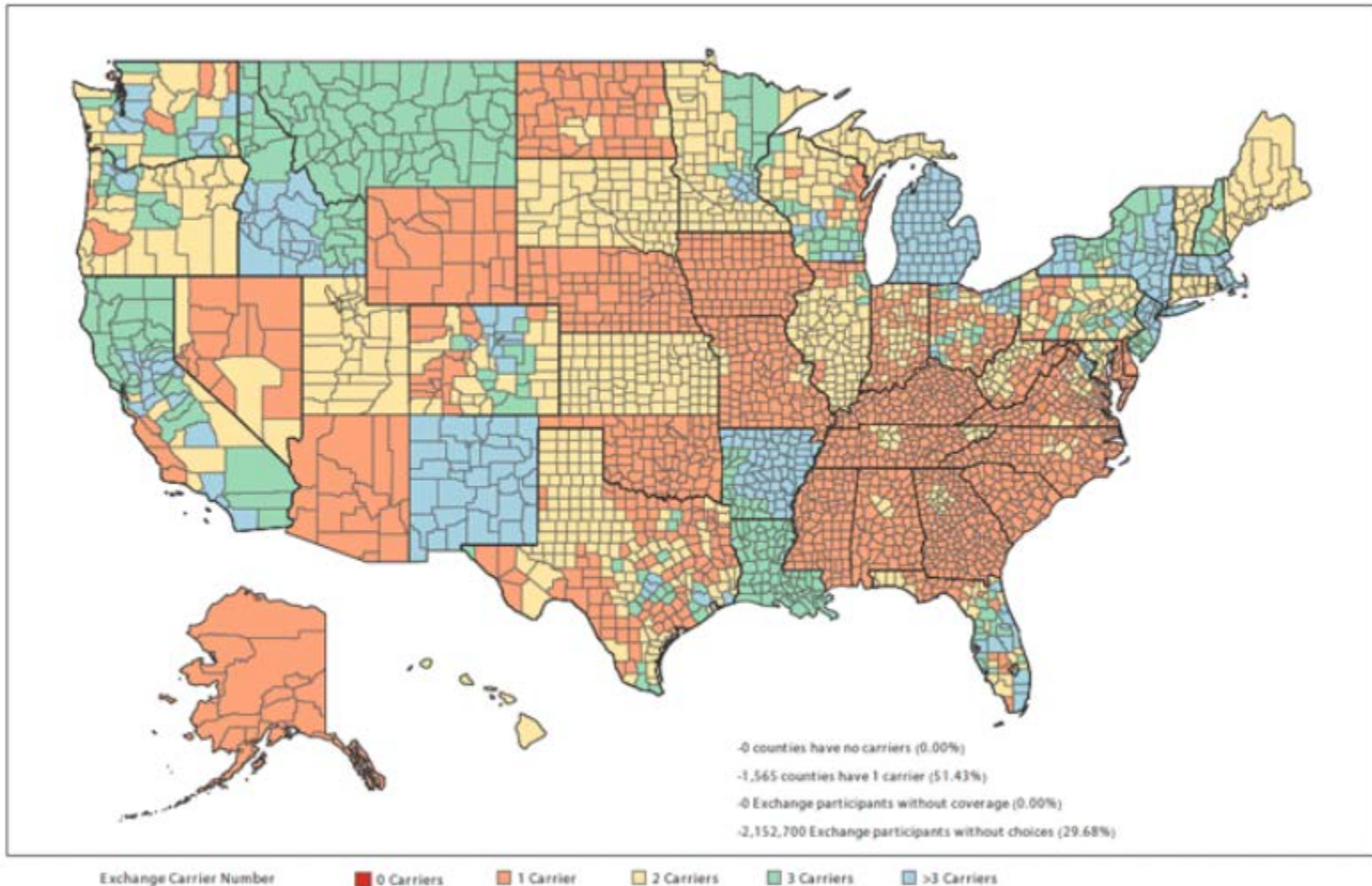
H. R. 1628

Table 3 - ESTIMATE OF THE NET BUDGETARY EFFECTS OF THE INSURANCE COVERAGE PROVISIONS OF H.R. 1628, THE AMERICAN HEALTH CARE ACT OF 2017, AS PASSED BY THE HOUSE OF REPRESENTATIVES ON MAY 4, 2017

Billions of Dollars, by Fiscal Year

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total, 2017- 2026
Medicaid	*	-14	-26	-65	-89	-105	-117	-129	-139	-150	-834
Elimination of Subsidies for Coverage Through Marketplaces and Related Spending and Revenues ^{a,b}	-5	-14	-16	-60	-85	-89	-93	-97	-101	-105	-665
Elimination of Small-Employer Tax Credits ^{b,c}	*	*	*	*	-1	-1	-1	-1	-1	-1	-6
Tax Credits for Nongroup Insurance ^b	0	0	0	33	48	51	55	59	62	66	375
Elimination of Penalty Payments by Employers ^c	2	16	20	15	16	18	19	20	22	23	171
Elimination of Penalty Payments by Uninsured People	3	3	3	3	4	4	4	4	4	5	38
Patient and State Stability Fund Grants	0	0	18	24	17	16	13	10	9	9	117
Medicare ^d	0	2	4	5	5	5	5	5	5	5	43
Other Effects on Revenues and Outlays ^e	-1	-3	-4	-2	*	2	1	-2	-5	-8	-23
Total Effect on the Deficit	*	-10	1	-46	-84	-99	-114	-130	-143	-156	-783

County by County Analysis of 2018 Insurer Participation in Exchanges



Uncertainty About the Exchange Market

Impact on Rates:

- Repeal of Mandate ↑
- Short Term Duration Plan Rule ↑
- Association Health Plan Rule ↑
- Reinsurance ↓

We need to re-focus on reducing the cost of care

