**BRIAN E. FROSH**
ATTORNEY GENERAL

MEDIA CONTACTS:
PRESS@OAG.STATE.MD.US
410-576-7009

# PRESS RELEASE

## Attorney General Frosh Takes Action to Protect Affordable Healthcare for Millions of Americans

***Officials Intervene in Pending Case to Ensure Effective Defense of Affordable Care Act (ACA)***

**BALTIMORE, MD (May 18, 2017) –** Maryland Attorney General Brian E. Frosh today took legal action to challenge the Trump Administration and protect health care access for millions of Americans. Attorney General Frosh moved to intervene in a lawsuit filed by House Republicans that undercuts the affordability of health insurance plans under the Affordable Care Act (ACA). The motion was led by California Attorney General Xavier Becerra and New York Attorney General Eric Schneiderman and joined by Connecticut, Delaware, Hawaii, Illinois, Iowa, Kentucky, Maryland, Massachusetts, Minnesota, New Mexico, Pennsylvania, Vermont, Washington state and the District of Columbia.

The lawsuit, *House v. Price,* would eliminate the stable funding that the law created to protect millions of working families from high healthcare costs. Experts predict that the threat to end this funding could destabilize the healthcare market and increase premiums by as much as 21%. 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.

"More than 400,000 Marylanders depend upon the Affordable Care Act for health coverage, and over 80,000 receive cost-sharing reductions," said Attorney General Frosh. "If the federal government does not honor its obligation to fund cost-sharing reductions, it will make health insurance unaffordable for many and put at risk the health of our citizens."

In Maryland, as of September 2016, the Patient Protection and Affordable Care Act ensured access to health insurance for 421,084 individuals. 142,872 individuals were covered under private insurance and 278,212 were covered under Medicaid expansion. Over 83,000 individuals in Maryland are projected to receive over $97 million in cost-sharing reductions in calendar year 2017. If the federal government does not reimburse health plans for cost-sharing reductions, health plans will increase rates in order to compensate for their loss. Carriers are currently seeking alarmingly high rate increases for 2018 and the requested increases do not even account for the potential loss of the cost-sharing reductions.

In President Trump's own words, the *House v. Price* lawsuit could "explode" the ACA and leave millions of Americans without affordable healthcare coverage, leaving states to pick up the pieces. The intervention by the aforementioned states seeks to protect health care coverage secured for Americans under the ACA.

**<u>Background on *House v. Price*:</u>**

The cost-sharing reductions 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% 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%).

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 reductions. A district court judge ruled in favor of the House, but the ruling was appealed in order to protect access to healthcare, and the reductions 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 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 reductions away from Americans who need health care.

A copy of the Motion to Intervene filed today can be found here.