

# President Trump Suspends Insurance Company Subsidies

written by GEG | October 16, 2017



The US House of Representatives sued the Obama administration for payments to insurance companies to cover their losses. The lawsuit argued that these payments were not authorized under Obamacare. The court ruled that the payments were not lawful. [We cannot help asking: So what? There apparently is no intent by anyone to punish those who conspired to commit this multi-billion dollar theft of tax dollars. When politicians are not held accountable for their crimes, there is no reason to expect that such crimes will ever cease.] -GEG

President Donald Trump suspended the Obamacare cost-sharing reduction payment program on Thursday, otherwise known as Obamacare subsidies, as part of a strategy to dismantle Obamacare.

White House Press Secretary Sarah Sanders said in a statement:

*Based on guidance from the Department of Justice, the Department of Health and Human Services has concluded that there is no appropriation for cost-sharing reduction payments to insurance companies under Obamacare. In light of this analysis, the Government cannot lawfully make the cost-sharing reduction payments. The United States House of Representatives sued the previous administration in Federal court for making these payments without such an appropriation, and the court agreed that the payments were not lawful. The bailout of insurance companies through these unlawful payments is yet another example of*

*how the previous administration abused taxpayer dollars and skirted the law to prop up a broken system. Congress needs to repeal and replace the disastrous Obamacare law and provide real relief to the American people.*

The cost-sharing reduction payment program gives health insurance companies subsidies to help cover the cost of low-income and high-cost patients on the Obamacare exchanges. Democrats and Republicans disagree on the impact that the subsidies would have on the individual health insurance market.

The Congressional Budget Office (CBO) **argued** in their analysis that rescinding the Obamacare subsidies would cause average premiums on the Obamacare exchanges to increase by roughly 20 percent, while a study commissioned by Senate Republicans and conducted by McKinsey & Co. **found** that Obamacare insurance regulations such as community ratings, essential health benefits, and guaranteed issue were largely to blame for the recent spikes in premiums and deductibles. Conservatives such as Sen. **Rand Paul** (R-KY) and **Daniel Horowitz** have argued that the cost-sharing reduction payment program amounts to a bailout fund for health insurance companies.

The Trump administration's decision to eliminate the Obamacare subsidies arises on the same day President Trump **signed** an executive order to open up the health insurance market. The executive order will expand access to association health plans for small businesses, expand the length of short-term health insurance plans, and expand reimbursement accounts for small businesses.

"This will cost the United States government virtually nothing and will provide people great, great health care," President Trump **explained**.

Sen. Rand Paul **praised** the action as "the biggest free-market reform of health care in a generation," adding that the executive order will allow Americans to purchase health insurance across state lines.

The Obamacare subsidies will cost the American taxpayer \$7 billion this year. House Republicans under former Speaker John Boehner **sued** the Obama administration, arguing that the subsidies were never authorized under the Affordable Care Act. In 2016, a federal judge ruled against the Obama administration., but the court allowed the administration to continue the payments while the White House appealed the decision.

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