

Trump Signs Executive Order Dismantling Key Parts of Affordable Care Act

One way or another, he's gonna getcha.

October 13, 2017 By [AIDS United](#)

On Thursday morning, October 12, President Trump signed an Executive Order (EO) that directs departments in his Administration to undermine the Affordable Care Act (ACA, or Obamacare) [even more](#) than they already have. The Order comes after three major failures by Senate Republicans to repeal and replace the ACA, angering conservative constituents and donors alike. Two main portions of the Order [threaten the stability](#) of the law: broadening association health plans and expanding short-term medical insurance.

Association health plans, as noted by [Vox](#), allow small businesses to band together in an “association” in order to have more buying power when purchasing insurance for their employees. Under the ACA, such associations still had to include “essential health benefits” — a package of basic health care services — and cover preexisting conditions in the plans they offered their employees. Trump’s Executive Order could allow the Department of Labor to return to pre-ACA standards for association health plans, allowing associations to offer plans that cover fewer services, although it does not appear that the EO will allow denial or change in premiums based on health conditions. Such an allowance could prompt more businesses to form associations in order to offer these cheaper plans, [dividing](#) the health care market and leaving those in the public market stuck with increasing premiums.

Short-term medical insurance plans are meant to be cheap plans used for short periods of time, such as unemployment between jobs, as the name suggests. Such plans, termed “Short-Term Limited Duration Insurance” (STLDI), are exempt from some major requirements of the ACA — namely, the requirement mentioned above to cover essential health benefits. The ACA [mandated](#) that these plans could not be purchased for more than three months, arguing that they did not sufficiently meet health care needs. Trump seems to be particularly interested in expanding access to these plans, potentially allowing them to be purchased for up to one year. The cheaper plans with fewer covered health services would be purchased primarily by healthy people, leaving sicker Americans, again, with rising premiums and essentially creating a “[high-risk pool](#)” in the public market.

It is unclear the exact [effect](#) this Executive Order will have on American health care, as the Order itself only directs the agencies to look into loosening these regulations. Many organizations have announced plans to oppose such changes in court if/when they are presented (as [noted](#) by former Centers for Medicare and Medicaid Services Administrator Andy Slavitt). Still, Trump has made perfectly clear that he plans to do away with the ACA, with or without Congress. AIDS United strongly opposes this Executive Order and will work with our coalition partners to support Congressional efforts to end it.

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