

## Health Care Reform: 2017 Year-In-Review

Because California embraced the opportunities available under the Affordable Care Act (ACA), 2017 began and ended with California reaching historic low rates of uninsured. The uninsured rate in California was [7.1 percent](#) at the end of 2016 falling to [6.8 percent](#) in the first half of 2017. Throughout 2017, this achievement was threatened with ongoing federal efforts to “repeal and replace” the ACA.

Although most proposals to rollback the ACA failed to pass, in December, the sweeping federal tax bill passed by Congress eliminated the tax penalty for individuals who do not maintain coverage as required in the ACA effective in 2019.

The timeline below reviews notable health reform events for 2017 and includes links to source documents and related ITUP publications.

Federal	2017	California
<p>January 1, 2017 – Affordable Care Act (ACA) Section 1332 State Innovation Waivers take effect no sooner than January 1, 2017.</p> <p>January 20, 2017 – As his first official act, President Trump issues an <a href="#">executive order</a> authorizing executive agencies to minimize the regulatory and fiscal burden of the ACA on states, individuals, families, and health care stakeholders, as permitted by law.</p> <p>President Trump funds ACA cost-sharing reduction subsidies on a month-by-month basis and begins the year with threats to end the funding. ACA cost sharing reduction payments reimburse insurers for reducing out-of-pocket costs for low-income enrollees.</p>	<b>January</b>	<p>The uninsured rate in California drops to a historic low of <a href="#">7.1 percent</a> at the end of 2016, down from 17 percent in 2013.</p>
	<b>February</b>	<p>February 4, 2017 – Covered California finishes its fourth open enrollment period with 412,105 new enrollees, adding 50,000 consumers in the last two days of the open enrollment period.</p>
<p>March 6, 2017 – Republicans in the U.S. House of Representatives unveil the <a href="#">American Health Care Act</a> to repeal and rollback key provisions of ACA.</p>	<b>March</b>	
<p>April 18, 2017 – <a href="#">Final rule</a> released on Market Stabilization, which revises annual and special enrollment periods, guaranteed availability, network adequacy, and actuarial value requirements in the ACA.</p>	<b>April</b>	

Federal	2017	California
<p>May 4, 2017 – Republicans in the House of Representatives pass the <a href="#">American Health Care Act</a> sending the measure to the Senate. The bill passes the House in a narrow 217-213 vote with all Democrats voting no.</p>	<p>May</p>	<p>May 18, 2017 – California and New York lead 13 other states and the District of Columbia in filing a motion to intervene in the federal lawsuit affecting federal cost sharing reduction payments for low-income individuals enrolled in the ACA marketplaces.</p>
<p>July 13, 2017 – U.S. Senate Republican leaders release a revised <a href="#">discussion draft</a> of the <a href="#">Better Care Reconciliation Act</a>, an ACA “repeal and replace” proposal.</p> <p>July 2017 – <a href="#">Multiple bills</a> to repeal or rollback the ACA, including versions of the Better Care Reconciliation Act, fail to pass the U.S. Senate.</p>	<p>July</p>	<p>July 19, 2017, the California Department of Health Care Services (DHCS) issues the Medi-Cal managed care <a href="#">Final Rule</a> on network adequacy standards.</p> <p>July 2017 – Fifteen second-round <a href="#">Whole Person Care pilots</a> begin implementation.</p>
	<p>August</p>	<p>August 1, 2017 – <a href="#">Covered California</a> releases preliminary <a href="#">2018 plan rates</a>, revealing premium increases related to federal uncertainty on whether cost sharing reduction payments will continue.</p> <p>August 17, 2017 – The Covered California Board <a href="#">takes action</a> creating a cost sharing reduction surcharge on silver-level plans and adopts health plan contract changes to promote insurer participation, protect consumers, and maintain market stability.</p> <p>August 24, 2017 – Speaker of the California Assembly, Anthony Rendon (D-Lakewood), <a href="#">announces</a> the formation of a <a href="#">new Select Committee</a> on Health Care Delivery Systems and Universal Coverage.</p>
<p>September 2017 – Republican Senators Graham, Cassidy, Heller and Johnson release a <a href="#">revised amendment</a> to the Better Care Reconciliation Act. The <a href="#">amendment</a> fails to pass the U.S. Senate.</p> <p>September 2017 – By not acting before the end of September, Congress allows the Children’s Health Insurance Program (CHIP) and grant funding for community health centers to <a href="#">expire</a>.</p>	<p>September</p>	
<p>October 12, 2017 – President Trump issues an <a href="#">executive order</a> to expand the role of association health plans (health insurance for employees purchased through an association or group of multiple small employers) and the purchase of coverage across state lines.</p> <p>October 2017 – President Trump announces he will end federal payments to cover ACA cost sharing reductions.</p>	<p>October</p>	<p>October 1, 2017 – DHCS extends a Medi-Cal contract to United Healthcare of California to begin serving Medi-Cal beneficiaries in Sacramento and San Diego counties.</p> <p>October 23-24, 2017 – Assembly Select Committee on Health Care Delivery System and Universal Coverage <a href="#">convenes</a> to discuss the current health delivery system in California, gaps in coverage, and universal coverage systems in other countries.</p>

Federal	2017	California
<p>November 3, 2017 – The U.S. House of Representatives passes the “<a href="#">Championing Healthy Kids Act</a>” which reauthorizes CHIP and appropriates funding for community health centers, but also includes offsets to cover the costs. The U.S. Senate does not hear the bill.</p>	<p><b>November</b></p>	<p>November 1, 2017 – Covered California open enrollment <a href="#">begins</a> with some confusion regarding the applicability of changes in the federal marketplace. For example, the federal marketplace open enrollment period ends on December 15, 2017, while open enrollment in Covered California runs until January 31, 2018. News accounts reporting the federal open enrollment period creates confusion in California.</p> <p>November 2017 – The uninsured rate in California for the first half of 2017 drops to <a href="#">6.8 percent</a>.</p>
<p>December 19, 2017 – Congress passes Tax Reform <a href="#">legislation</a>, which permanently repeals the tax penalties associated with the requirement that most people obtain health insurance coverage in 2019.</p> <p>December 21, 2017 – Congress passes a stopgap spending bill (<a href="#">H.R. 1370</a>) with patchwork funding for CHIP and community health center grants through early 2018.</p>	<p><b>December</b></p>	<p>December 11, 2017 – Assembly Select Committee on Health Care Delivery System and Universal Coverage <a href="#">reconvenes</a> to discuss universal coverage and cost containment efforts in the U.S.</p> <p>Effective January 1, 2018 – DHCS restores adult optional dental benefits, including all services previously eliminated in 2009, and Medi-Cal managed care plans become responsible for covering <a href="#">palliative care</a>.</p>