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Actuaries Commend Payment Of CSRs, Urge Policymakers To Make Payments Permanent

WASHINGTON—The American Academy of Actuaries commends the administration for taking the positive step of paying the July cost-sharing reduction (CSR) reimbursements. However, the stability and sustainability of the market requires policymakers to fund CSRs on a permanent basis.

“Insurers are making final decisions about rate filings for 2018 and whether to even participate in the individual market,” said Cori Uccello, the Academy’s senior health fellow. “The continued uncertainty of future CSR reimbursements could lead to higher premiums and possibly additional insurer withdrawals from the market.”

As prospects for a near term Affordable Care Act (ACA) repeal and replace effort in the Senate remain in doubt, Uccello highlights the need to address several key issues in order to ensure continued access to coverage for consumers.

“In addition to continued funding of CSRs,” said Uccello, “the stability of the market is reliant on enforcement of the individual responsibility penalty; increased external funding to lower premiums, increase enrollment, and improve the risk pool; and avoidance of legislative and regulatory actions that increase uncertainty.”

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The American Academy of Actuaries is a 19,000-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.