

Publications

CMS Releases Market Stabilization Guidance

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SERVICES

The Centers for Medicare and Medicaid Services (“CMS”) at the U.S. Department of Health and Human Services has had a busy start to the New Year and the new Administration. CMS has issued a new [proposed rule](#) and delayed critical qualified health plan (“QHP”) certification [dates](#) on February 17, and on February 23 announced it was extending its transitional plan (also known as “grandmothered” or “Keep What You Have” or “KWYH” plans) [policy](#) through December 31, 2018.

The new Administration has been attempting to make administrative changes to make individual market risk pools more stable and viable in order to keep issuers in the markets in 2018. The changes have generally been welcomed by issuers and are consistent with ideas that were presented to the previous Administration but were not implemented. However, it is not clear that the changes will be enough to shore up the risk pools, particularly if the individual mandate is repealed legislatively. This is likely why CMS sought comment on several of its proposals, including those related to CMS authority with respect to continuous coverage options. Regardless of these attempts, there may be no clear silver bullets for administrative action in this area; therefore, the clearest path to improving the risk pools remains legislative.