

## **THE STATE FLEXIBILITY TO PROVIDE AFFORDABLE HEALTH OPTIONS ACT:**

*A one-year emergency action to allow Americans in states with failing Obamacare exchanges to purchase more affordable private health insurance*

### **PROBLEM: OBAMACARE IS UNRAVELLING AT AN ALARMING RATE**

*When Americans go to purchase health insurance during Obamacare's open enrollment period this November, many will see fewer options and skyrocketing premium costs. Unfortunately, individuals who receive an Obamacare subsidy can only use that subsidy to purchase a health plan through an Obamacare exchange, essentially locking them in to a failing system.*

*While Congress needs to repeal and replace this failed law in its entirety, we must take immediate action to help states provide relief for Americans struggling with the burdensome cost of Obamacare.*

#### ***Health insurance companies are being forced to leave Obamacare exchanges:***

- Far fewer insurers are likely to offer health plans in Obamacare exchanges for the 2017 plan year than were offered last year:
  - There could be just one insurer offering Obamacare plans in 31 percent of counties in 2017 vs. 7 percent in 2016.
- Five states are expected to have only one insurer offering Obamacare plans in their entire state: Alabama, Alaska, Oklahoma, South Carolina, and Wyoming.
- An additional 10 states are expected to have only one insurer offering Obamacare plans in a majority of the counties in the state: Tennessee, North Carolina, West Virginia, Utah, South Carolina, Nevada, Arizona, Mississippi, Missouri, and Florida.

#### ***Americans are being forced to pay much more next year for Obamacare plans:***

- In the 14 states that have approved Obamacare rates for the 2017 plan year so far, the price hikes average 26 percent.
- For example, next year, Tennesseans will be paying an intolerable increase—on average between 44 and 62 percent more for their Obamacare plans than they paid last year.
- If the policyholder doesn't pay all of it, then the taxpayer will, because 86 percent of Obamacare premiums are subsidized with tax dollars.

### **ACTION NEEDED: STATE FLEXIBILITY TO PROVIDE AFFORDABLE HEALTH OPTIONS**

- Gives states the authority to temporarily allow Americans to use their Obamacare subsidy to purchase any health plan outside of an Obamacare exchange, as long as the plan is approved by the state for sale in the individual or small group market.
- The individual mandate would also be waived in these states.
- The state must notify the Secretary of Health and Human Services of their decision by November 1, 2016.
- This temporary authority would only be in place for the 2017 plan year.