



Written by [Warren Mass](#) on October 26, 2017

Judge Denies Request by States to Force Trump Administration to Continue ObamaCare Payments

On October 25, U.S. District Judge Vince Chhabria of the Northern District of California denied a request for an emergency ruling that would have forced the Trump administration to continue making payments to health insurers under the Affordable Care Act, informally known as ObamaCare. The injunction request was made in a lawsuit filed on October 18 by California and 17 other states (*State of California, et al., Plaintiffs, v. Donald J. Trump, et al., Defendants*). The emergency ruling sought by the plaintiffs would have required the Trump administration to continue making the payments while the lawsuit is pending.



In his ruling, Chhabria said the kind of emergency order requested by the states was not necessary. “The truth is that most state regulators have devised responses that give millions of lower-income people better health coverage options than they would otherwise have had,” Chhabria said. “This is true in almost all the states joining this lawsuit,” he added.

The lawsuit by the coalition of states came in response to an announcement by the White House press secretary on October 12 that the Trump administration would end all subsidies going to health insurance companies. The announcement reflected the fact that Congress has failed to provide for additional funding for bailouts to those companies to help customers pay for ObamaCare insurance.

Five days after the White House announcement, reported NBC News, Senator Lamar Alexander (R-Tenn.) said that he had reached a deal with Senator Patty Murray (D-Wash.) to provide a short-term stabilization fix to ObamaCare health insurance markets.

Their proposal is called the Bipartisan Health Care Stabilization Act of 2017. Alexander said the bipartisan deal, which would require approval by Congress and the president, would reinstate the cost-sharing reduction reimbursement payments to ObamaCare plans for two years. “This agreement avoids chaos,” Alexander said on the Senate floor. “I don’t know a Republican or Democrat who benefits from chaos.”

Murray issued a statement in response to Judge Chhabria’s ruling, saying it “only makes it more critical” that the Senate pass the bipartisan agreement she co-authored, which would authorize the subsidies that the ruling holds up.

Reuters reported on October 25 that earlier that day, the nonpartisan Congressional Budget Office found that the Alexander-Murray proposal would cut the U.S. deficit by \$3.8 billion over the next decade.



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The healthcare subsidies were amounting to nearly \$600 million a month and were due to cost \$7 billion this year and were estimated to grow to \$10 billion for 2018, according to congressional analysts.

Marc Short, White House director of legislative affairs, told NBC News that the deal in its current form is not close to being something that the Trump administration would accept.

During an October 18 press briefing, a reporter asked White House Press Secretary Sarah Sanders to expand on a statement President Trump has made earlier in the day about having some concerns with the Alexander-Murray bill.

Sanders replied:

Look, we've said all along that we want something that doesn't just bail out the insurance companies, but actually provides relief for all Americans, and this bill doesn't address that fact. So we want to make sure that that's taken care of. We think that this is the step — a good step in the right direction. This President certainly supports Republicans and Democrats coming to work together. But it's not a full approach, and we need something to go a little bit further to get onboard.

The reporter then asked Sanders to articulate specifically what the White House is concerned about — notably making sure that the money doesn't go to the insurance companies.

To which, Sanders said:

Some of the things that the President has stated before: He wants to lower premiums, he wants to provide greater flexibility, he wants to drive competition, he likes the idea of block grants to states. Those are a lot of the ideas that he'd like to see in a healthcare plan.

As was noted in [an article posted by *The New American*](#) on October 12, President Trump, whose patience with Congress' inability or unwillingness to dismantle ObamaCare finally ran out, decided to take action using one of his favorite tools — executive order.

The details of the executive order were provided in a news release posted on the White House website that day. Among other things, the order provides:

It shall be the policy of the executive branch, to the extent consistent with law, to facilitate the purchase of insurance across State lines and the development and operation of a healthcare system that provides high-quality care at affordable prices for the American people.

One of the key provisions of the order is:

Expanded Access to Association Health Plans. Within 60 days of the date of this order, the Secretary of Labor shall consider proposing regulations or revising guidance, consistent with law, to expand access to health coverage by allowing more employers to form AHPs.

Senator Rand Paul (R-Ky.), standing next to the president as the executive order was announced, called it "the biggest free market reform of health care in a generation."

The executive order is far from perfect, however, because it still assumes that government has a rightful, legal, and constitutional place in providing health coverage for Americans. But, as the author of the report observed: It's headed in the right direction.



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