



## Legislative and Regulatory Updates



### President Trump's First Executive Order Signals Pull-Back on ACA Implementation

As widely reported over the weekend, within a few hours of his swearing in, President Donald Trump signed his first [Executive Order](#), calling on federal agencies to take immediate steps to curtail aspects of the Affordable Care Act and signaling the new administration's plans to repeal and replace the Act altogether.

#### **What does the Order say?**

The Order itself has little if any tangible impact on the law. The Order states the administration's official policy of pursuing a complete repeal and replacement of the ACA. It directs the heads of all federal agencies to take steps within their authority to remove or minimize any provision of the ACA that carries fiscal or regulatory burden. As the primary agencies charged with implementing the ACA, that action will likely come from the Department of Health and Human Services, the Department of Labor, and the IRS. The order also directs these agencies to afford greater flexibility to the States in areas impacted by the law. Finally, the order directs federal agencies to take steps to encourage and enable an interstate market for health coverage.

#### **What does the Order mean for employers?**

For now, the Order has no real impact on employers, except to signal that federal agencies will be acting quickly to relax various components of the ACA that impact employers, group health plans, and their members. The Senate has yet to confirm those President Trump has nominated to lead the agencies affected by the Order. Once those agency heads are confirmed, we expect to see regulations issued as prescribed by the Order and will be watching closely. Of course, both the Trump administration and members of both houses are said to be working on legislation to repeal and/or replace the ACA. Both the House and the Senate have laid the groundwork for streamlined procedures for repeal of the Act. They face more of an

uphill battle to pass legislation to replace the ACA, as a 60-vote majority will be required in the Senate to pass replacement legislation. We will provide updates as details of those efforts become public. Until such legislation passes or further regulations are released, employers should bear in mind that the ACA remains in full force and effect.



[WWW.MEDCOST.COM](http://WWW.MEDCOST.COM)  
1-800-217-5097