Supreme Court hears risk corridors case brought by local non-profit health insurer

Washington, DC., December 10, 2019, Maine Community Health Options, d/b/a Community Health Options, had its day in the Supreme Court today. Over the last few years, there have been many attempts to constrain or eliminate the Affordable Care Act, including short-circuiting the three-year risk corridors program designed to attract insurance carrier participation on what was at that time the new federal Marketplace. Community Health Options as represented by Crowell & Moring, has been battling this effort for years. The fight reached its apex today when Maine Community Health Options v. United States, Moda Health Plan v. United States, and Land of Lincoln Mutual Health v. United States were heard.

“The central question to be decided is whether the government’s failure or refusal to allocate money to pay a debt cancels that debt,” says Kevin Lewis, CEO & President of Community Health Options. “The government’s argument is that future budgetary language can put a stranglehold on prior federal commitments well after the fact. Ironically, if left unchecked, this bait and switch tactic will continue to place an increased risk premium on any future dealings with the federal government.”

The resolution of this issue has implications far beyond the immediate case. The bigger question is whether the government is obligated to honor its commitments to a private company that has performed its part of the bargain. Despite many challenges, including an everchanging regulatory landscape, Community Health Options has, through responsible fiscal management, continued to fulfill its mission as a non-profit health insurer providing affordable, high-quality benefits for individuals and businesses, and continues to fight to keep low-cost insurance available in Maine.

A decision is expected by Summer.

About Community Health Options – Community Health Options is the only Maine-based, non-profit, Member-led health plan providing comprehensive, Member-focused health insurance benefits for individuals, families, and businesses. For more information about Health Options, visit the website: HealthOptions.org.