

Nebraska Section 1332 Waiver Outline: TrumpCare Model Pilot Program

Introduction and Purpose

- **Overview:** Nebraska seeks a **State Innovation Waiver under ACA §1332** to pilot the “TrumpCare” model developed by Lee Benham. This waiver would allow Nebraska to implement a **full-scale test** of the TrumpCare core elements as a **fallback solution** if federal legislation does not enact this model.
- **Goal:** Legally authorize Nebraska to serve as a **test state** for an age-based, portable, HSA-driven coverage model starting as soon as federal approval is obtained (target implementation in **2026 or earlier**). The pilot will demonstrate how the TrumpCare approach can increase consumer choice and personal ownership of health coverage while **meeting ACA guardrails** and remaining budget neutral.

Legal Authority and Waiver Requirements

- **ACA §1332 Authority:** Section 1332 of the Affordable Care Act (42 U.S.C. §18052) permits states to waive certain ACA provisions to implement innovative coverage programs, subject to **four statutory “guardrails”**kff.org. Nebraska’s waiver application will cite this authority and comply with all regulatory requirements (45 C.F.R. 155.1300–155.1328; 31 C.F.R. Part 33).
- **Guardrail Criteria:** The waiver must demonstrate that the state’s plan will: **(1)** provide coverage **at least as comprehensive** (e.g. covering essential health benefits) as the ACA, **(2)** provide coverage **at least as affordable** (accounting for premiums and cost-sharing), **(3)** cover **at least a comparable number of residents**, and **(4) not increase federal deficits** (i.e. be budget neutral)kff.org. Nebraska’s application will include detailed analyses to show each of these criteria is met (see “Guardrail Compliance” below).
- **Scope of Waiver:** Nebraska will seek to waive specific ACA requirements as needed to implement the TrumpCare model, potentially including **premium tax credit rules, cost-sharing reductions, qualified health plan constraints, and exchange rules**kff.org. **Guaranteed issue, preexisting condition protections, and other consumer protections are not waived**, and the state will maintain those safeguardskff.org. The waiver will **not alter Medicaid program rules via 1332**, but will coordinate with Medicaid separately (if needed) to allow voluntary opt-outs (see “Federal Coordination”).
- **State Law Authorization:** Prior to submission, Nebraska will **enact enabling legislation** authorizing this waiver and the TrumpCare pilot program. This fulfills the ACA requirement that a state law support the waiver’s implementationcongress.gov. The legislation will establish the state structures to administer age-based credits and other program elements once federal approval is granted.

Core Elements of the TrumpCare Model Waiver

Nebraska's 1332 waiver will implement the full **TrumpCare core elements** statewide, while preserving traditional coverage for those who do not opt in. The key components include:

1. **Voluntary Opt-Out of ACA and Medicaid Subsidy Systems:** No individual is required to leave their current coverage – **participation is voluntary**. Residents may **opt out** of ACA Marketplace subsidies or Medicaid coverage and instead choose the TrumpCare alternative. This ensures **no one loses existing options** against their will. The age-based credit gives each person a standing **choice to take control of their health funding**. Crucially, **employer-sponsored insurance (ESI), Medicaid, and ACA plans remain available** for those who do not opt out; these programs are **not abolished** but are expected to **gradually become less utilized** as consumers voluntarily migrate to the new model. (For example, healthy low-risk employees may leave ESI when they find the credit more advantageous, and some Medicaid beneficiaries might prefer a private plan with an age-based credit.) All **existing coverage programs (ESI, Medicaid, ACA Marketplace)** will be preserved and continue to serve those who choose them, ensuring continuity for vulnerable populations.
2. **Fixed, Age-Based Health Care Tax Credits:** Instead of income-based ACA subsidies, participants will receive a **flat tax credit amount based on age**. The credit amounts are predetermined by age band (e.g. approximately \$3,000 per year for younger adults, scaling up to around \$6,000 for those near retirement age). These credits are **refundable** (available in full even with no tax liability) and **paid up-front** for use on insurance premiums. They are **simple, predictable, and universal** – provided to everyone in an age group regardless of income. This eliminates the complex ACA income-based phase-outs and “subsidy cliffs,” creating a **stable support** that does not penalize work or earnings. Every year, each eligible Nebraskan can count on a fixed credit to help afford coverage.
3. **HSA Deposits for Unused Credit Amounts:** If an individual chooses a lower-cost health plan, any **unused portion of the age-based credit is deposited into the person's Health Savings Account (HSA)** for future medical use. For example, a 28-year-old with a \$3,000 credit who buys a \$2,000 plan would have the remaining \$1,000 contributed to their HSA. These **unspent funds accumulate and roll over** year to year, allowing participants to build personal health savings (**growing tax-free**). Over time, this feature turns health funding into an asset: younger, healthier individuals can save thousands for later health needs or retirement medical costs. This HSA mechanism incentivizes cost-conscious decision-making (since frugal healthcare choices let consumers keep the savings) and fosters **personal wealth-building** for medical needs.
4. **Consumer Choice of Any Approved Health Plan (No Network Restrictions):** Participants can apply their age-based credit to **any legal health insurance plan of any kind including but not limited to short term, indemnity, or any other legally available plan in Nebraska**, not limited to the ACA Exchange or narrow-network plans. The waiver creates a **true open market** for insurance: consumers could purchase a low-premium catastrophic plan, a high-deductible plan compatible with an HSA, a basic indemnity plan, or a more comprehensive policy – **whichever best fits their needs**. All health plans authorized for sale in Nebraska (including plans outside the ACA's qualified health plan structure, as long as they meet basic state legality standards) would be eligible for the credit. By allowing a wider array of plans (including those with broader provider

access or fewer network restrictions), the program maximizes choice. Consumers are **not constrained by limited networks** tied to an employer or exchange plan – they can choose providers freely through plans that offer out-of-network coverage or statewide networks. In short, the waiver enables Nebraskans to **buy any state-approved health plan with their credit**, expanding competition and tailor-fit coverage options.

5. **Portable, Personally-Owned Coverage:** All insurance obtained under this model is **fully portable and owned by the individual**. Coverage is not linked to a job, employer, or government program. If a person changes jobs or leaves employment, their coverage **stays with them without interruption** (eliminating the need for COBRA or job-lock concerns). There are **no employer “network” limitations** – an individual can use their plan statewide (or even nationwide if allowed) just as they purchased it. This portability empowers consumers to maintain continuous coverage that suits their needs over time. The age-based credit is delivered equitably regardless of employment status, enabling fair support for self-employed individuals, small business employees, and those between jobs. **Individuals own their policies**, which promotes continuity of care and stable coverage as life circumstances change.
6. **Preservation of Traditional Coverage Options:** Importantly, the waiver **maintains all existing coverage infrastructures** for those who do not opt into the TrumpCare pilot:
 - o **Employer-Sponsored Insurance (ESI):** Employers can continue to offer health benefits. Employees satisfied with ESI can remain on their plans. The waiver does not force any employer or employee to drop coverage. (However, as noted, some may voluntarily transition to the credit over time due to its appeal.)
 - o **Medicaid:** Medicaid eligibility and benefits remain intact for those who choose to stay in Medicaid. The waiver’s voluntary opt-out means eligible individuals (e.g. certain low-income adults, children, etc.) *may* elect to forego Medicaid in favor of the age-based credit and a private plan, but that is entirely optional. **No one is involuntarily removed from Medicaid.** Nebraska will ensure that any Medicaid enrollees who opt out are making an informed choice and that Medicaid continues to cover those who need or prefer its coverage. (If necessary, Nebraska will seek a complementary **Section 1115 Medicaid waiver** to allow such individuals to receive the credit in lieu of Medicaid benefits, while protecting vulnerable groups – see Federal Coordination.)
 - o **ACA Marketplace Plans:** The state’s ACA exchange (HealthCare.gov) will continue to operate for those who wish to purchase qualified health plans with income-based federal subsidies. Individuals not opting for the TrumpCare pilot can keep using ACA premium tax credits and plans as today. The waiver envisions the ACA exchange becoming **one of multiple marketplaces** where Nebraskans can shop for coverage. Those who want to remain in an ACA-compliant plan can do so without change.

By preserving these options, the waiver **meets the “no worse coverage” test** – anyone who likes their current coverage can keep it. The innovation is offered as an **additional choice**, not a replacement mandate.

Actuarial, Economic, and Budget Neutrality Analysis

- **Actuarial Certification:** As required by 45 C.F.R. 155.1308(f)(4), Nebraska’s application will include a detailed **actuarial analysis** and certification confirming that the waiver plan is financially sound and meets the guardrails. An independent actuary will project **health coverage enrollment and costs** under the waiver versus the ACA status quo.
- **Coverage Projections:** The analysis will estimate how many Nebraskans are expected to opt into the age-based credit model and how many will remain in traditional coverage, for each year of the waiver. It will demonstrate that **coverage levels will be maintained or improved**: i.e. the **number of people with health insurance is at least as high as without the waiver**[kff.org](https://www.kff.org). Any reduction in ESI or Medicaid enrollment due to voluntary opt-outs will be offset by enrollment in credit-funded private plans, aiming for **no increase in the uninsured**. In fact, the state will argue that by offering a new affordable option, the waiver could **reduce the uninsured rate**, covering more people than the ACA alone (e.g. young adults who find the credit plus a low-cost plan more attractive than going uninsured).
- **Cost and Budget Neutrality:** A comprehensive **10-year budget plan** will accompany the waiver request, detailing federal spending with and without the waiver[congress.gov](https://www.congress.gov). The state will show that the waiver **does not increase federal spending or deficits**[kff.org](https://www.kff.org). This entails projecting the federal outlays for premium tax credits and other subsidies in Nebraska under the ACA, and comparing them to the **aggregate federal support** (pass-through funds) required for the age-based credits under the waiver. Nebraska will likely utilize **federal “pass-through” funding**: under ACA §1332, if state residents forgo federal APTC/CSR subsidies, the **equivalent funds that would have been spent are passed through to the state** to fund the new credits[congress.gov](https://www.congress.gov). The application will document that the sum of pass-through funds and any state funding contributions is sufficient to finance the age-based credits without exceeding what the federal government would have paid in subsidies absent the waiver. Any administrative costs or platform changes borne by the state will not count against federal budget neutrality (though the state will fund those as needed). The actuary’s report will include **scenario analyses** to ensure even in worst-case uptake scenarios, federal costs **remain at or below baseline**.
- **Affordability Impact:** The economic analysis will also address **consumer affordability**. It will compare typical enrollee premium and out-of-pocket costs under the waiver versus ACA baseline. The TrumpCare model intends that consumers have access to **at least as affordable coverage** – for example, the credit plus broad plan choice should allow people to find plans with similar or lower net premiums and cost-sharing compared to ACA benchmark plans[kff.org](https://www.kff.org). The analysis will highlight that many participants could have **lower effective premiums** (some may even pay \$0 net premium for a high-deductible plan and save leftover credit to an HSA) and that out-of-pocket maximums will be comparable to ACA limits for catastrophic needs (since participants can choose comprehensive plans if desired). By quantifying premiums and expected out-of-pocket spending for a range of incomes/ages, the state will certify the waiver does **not reduce affordability** for the population.
- **Comprehensiveness of Coverage:** The actuarial report will confirm that the **benefits available under the waiver are as comprehensive as under the ACA**. While consumers can choose less comprehensive plans if they wish, the state will ensure that

plans equivalent to ACA baseline coverage (including all Essential Health Benefits) are available for purchase with the credit, thus satisfying the **comprehensiveness guardrail**[kff.org](https://www.kff.org). The analysis may show that the **average enrollee** maintains coverage of EHBs either through ACA-compliant plans or through alternative plans that the state deems meet minimum standards. Any new plan options introduced will be scrutinized to ensure a baseline level of coverage adequacy in the market.

- **Deficit Neutrality Certification:** Along with actuarial data, Nebraska’s officials will include a **written certification** that the waiver is projected to be deficit-neutral to the federal government over the allowable timeframe[congress.gov](https://www.congress.gov). This satisfies ACA §1332’s requirement that the waiver “**not increase the federal deficit.**” The federal review by CMS/Treasury will verify these calculations.

ACA Guardrail Compliance Summary

To clearly demonstrate satisfaction of the **four guardrails**, the waiver application will include a section addressing each criterion explicitly[kff.org](https://www.kff.org):

- **Comprehensiveness of Coverage:** The waiver will **maintain coverage at least as comprehensive** as under current law. All individuals who opt into the TrumpCare pilot will have access to plans covering **essential health benefits (EHB)** comparable to ACA Qualified Health Plans. Nebraska will likely commit that the age-based credit can be applied to any plan that **meets or exceeds EHB standards**, even as it allows additional plan flexibility. By preserving the availability of ACA-like plans and ensuring new options offer meaningful coverage, the state will attest that the **scope of benefits** available to Nebraskans is not diminished by the waiver.
- **Affordability of Coverage:** The plan will make coverage **at least as affordable** for consumers, taking into account premiums and cost-sharing. The age-based credits are designed to keep net costs reasonable: combined with broad plan choices, most enrollees can find a plan with **minimal or affordable premium** after applying the credit. Additionally, since **unused credit can offset future out-of-pocket costs via HSAs**, many enrollees will effectively have lower out-of-pocket burdens over time. The state’s analysis will show that for each income level or demographic, there is an option under the waiver that is as affordable as (or more affordable than) the ACA benchmark plan, satisfying the affordability guardrail. No population group (including low-income or high-risk individuals) will face higher costs to obtain comparable coverage than they would under the ACA without the waiver.
- **Number of Individuals Covered:** Nebraska will document that **coverage levels are the same or better** under the waiver. The combination of universal credits and attractive plan options is expected to maintain current enrollment and potentially **increase insurance uptake** among those previously uninsured or those who find ACA options unattractive. By offering a new avenue to coverage (especially for people who may be between jobs or deterred by ACA complexity), the waiver could bring more people into coverage. The state will provide projections showing that **at least a comparable number of Nebraskans have health coverage** in each year of the waiver as would have otherwise, meeting the coverage guardrail[kff.org](https://www.kff.org). Importantly, vulnerable groups (low-income, elderly, or those with health conditions) will not see a drop in coverage – they either

remain in existing programs or have the option to take the credit and stay insured in private plans.

- **Federal Spending Neutrality:** The waiver will **not increase federal spending** and will be **budget neutral (or better)** to the federal government. As noted, a 10-year fiscal analysis will be provided showing that the federal outlay for Nebraska's tax credits (via pass-through funding) is **equal to or less than** the sum of ACA subsidies that would be paid absent the waiver [kff.org](https://www.kff.org). Any administrative costs for implementation are the state's responsibility and will be excluded from federal cost impact calculations. The waiver's design (fixed credits often lower than current subsidies for some groups, and gradual uptake) may even produce **federal savings**, which Nebraska will highlight to strengthen the case. This guardrail will be met through careful calibration of credit amounts and program size such that **federal expenditures do not exceed the status quo**. A certification of this neutrality will be included as required.

By rigorously addressing each of these guardrails with data and policy safeguards, Nebraska's application will aim to satisfy federal regulators that the TrumpCare pilot meets all statutory standards for approval.

Implementation Timeline and Milestones

Nebraska plans an aggressive timeline to implement the waiver as soon as possible, targeting a **2026 launch** (or earlier if feasible). Below is the projected sequence of key steps and milestones:

- **2024 – State Legislation and Planning:** In late 2024 (or early 2025 if needed), Nebraska's legislature enacts the **TrumpCare Pilot enabling law** that authorizes the state to pursue a Section 1332 waiver and implement the age-based credit program. Concurrently, state agencies (e.g. Department of Insurance) begin detailed planning, stakeholder consultations, and drafting of the waiver application. Initial actuarial modeling and policy design work are conducted in this period.
- **2025 Q1 – Draft Waiver Proposal & Stakeholder Input:** By early 2025, a complete **draft waiver application** is prepared. Nebraska will then initiate the **required public notice and comment period** [congress.gov](https://www.congress.gov). This involves publishing the proposal for public review, holding public hearings, and consulting stakeholders including consumer advocates, insurers, employers, healthcare providers, and tribal governments. The state will document all comments and its responses as part of the application. Any necessary revisions to the plan are made to address feedback.
- **2025 Q2 – Formal Submission to Federal Agencies:** Nebraska submits the Section 1332 waiver application to the U.S. Department of Health and Human Services (HHS), and it is simultaneously reviewed by the Department of the Treasury (since the waiver affects tax credits) [congress.gov](https://www.congress.gov). The submission will include all required elements (state law text, program description, actuarial and economic analyses, documentation of public input, etc.) [congress.gov](https://www.congress.gov). Upon submission, HHS/CMS (through the Center for Consumer Information and Insurance Oversight, CCIIO) will conduct a completeness review. The goal is to submit no later than mid-2025 to allow approval in time for a 2026 start.

- **2025 Q3 – Federal Review and Negotiation:** Once HHS deems the application complete, a **180-day federal review clock** starts [congress.gov](https://www.congress.gov). During mid/late 2025, Nebraska will work closely with **CMS, CCIIO, and Treasury officials** as they evaluate the waiver. This may include answering questions, providing supplemental data, and negotiating any modifications needed for approval. Federal regulators will assess guardrail compliance, budget neutrality, and operational feasibility. Nebraska will coordinate technical details, such as how premium tax credit pass-through will be calculated and delivered, and how to integrate the new model with existing systems.
- **Late 2025 – Waiver Approval (Target):** Nebraska aims to secure **federal approval by late 2025**, ideally in time to implement changes for the 2026 plan year. Approval will come in the form of a joint HHS and Treasury authorization letter, possibly with terms and conditions. The approval will specify the effective date and the **waiver period (anticipated 2026–2030)**. Section 1332 waivers are granted for up to **5 years** initially [congress.gov](https://www.congress.gov), so Nebraska’s pilot would likely run from 2026 through 2030, with the option to request an extension for additional years.
- **Late 2025/Early 2026 – Implementation Launch:** With approval in hand, Nebraska will rapidly implement the operational aspects of the program. This includes:
 - o Setting up any **administrative infrastructure** to deliver the credits (e.g. a mechanism to apply credits to plan purchases or an IRS coordination if credits are delivered via tax system).
 - o Finalizing agreements with insurers to recognize the credits for premium payment on eligible plans.
 - o Launching **public education and enrollment assistance** so consumers understand the opt-out choice and how to utilize their credits.
 - o Possibly establishing a **state-based enrollment portal** or modifying HealthCare.gov functionality to accommodate the new options (the state will have coordinated with CCIIO on this during review – if needed, Nebraska might create a separate web interface for TrumpCare pilot enrollment while leveraging federal systems for eligibility determinations) [congress.gov](https://www.congress.gov).
 - o **Enrollment Period:** If aiming for a January 1, 2026 coverage start, the state may hold a special open enrollment in late 2025 for the pilot program, or align with the standard ACA open enrollment (Nov 1 – Dec 15, 2025) with an expanded menu of plans and the new credit option.
- **2026 – Pilot Year 1:** The TrumpCare model goes into effect for participating Nebraskans. The state will monitor enrollment, consumer experiences, and any implementation issues closely. Ongoing **data collection** begins for evaluation of the program’s impacts on coverage, costs, and outcomes.
- **2026–2030 – Program Operation and Evaluation:** Throughout the waiver period, Nebraska will provide **annual reports** to HHS and Treasury (as required) documenting compliance with waiver terms and guardrails (e.g. coverage numbers, affordability metrics, budget neutrality) and engaging in any federal oversight processes [congress.gov](https://www.congress.gov). The state will convene stakeholder panels for feedback during the pilot. If mid-course corrections are needed, the state can propose waiver amendments or adjustments in consultation with CMS/CCIIO. By 2030, Nebraska will prepare a comprehensive evaluation of the TrumpCare pilot’s performance.

- **2030 – Waiver Extension or Transition:** Near the end of the 5-year period, Nebraska may request a **waiver extension (renewal)** if the pilot is successful and the state wishes to continue (or expand) the program [congress.gov](https://www.congress.gov). If the data show positive results, Nebraska could also work with federal policymakers on potential broader adoption. Conversely, if federal legislation has by then established a similar model nationally, the waiver could transition into that framework. In the absence of extension, the state would have a plan to seamlessly transition participants back to ACA coverage or other available options, ensuring no loss of coverage.

This timeline is **contingent on timely federal approval** and robust state preparation, but Nebraska is committed to moving expeditiously to launch the TrumpCare model demonstration by 2026.

Federal Coordination and Regulatory Considerations

- **Agencies Involved:** Nebraska will coordinate with **HHS (CMS/CCIIO)** and the **Department of the Treasury** at every stage of the waiver process. CCIIO (within CMS) oversees ACA marketplace and waiver implementation details, while Treasury oversees any changes related to tax credits. The waiver application will be submitted to HHS and by law HHS must refer aspects implicating tax code (e.g., premium tax credits) to Treasury for parallel review [congress.gov](https://www.congress.gov). Both Secretaries must ultimately approve the waiver. Early consultation with these agencies will be sought to ensure the proposal is workable and aligns with federal requirements.
- **Consultation on Systems and Operations:** Because the waiver may require deviations from standard ACA enrollment and subsidy processes, Nebraska will work with CMS on operational feasibility. For instance, if Nebraska allows credits to be used outside HealthCare.gov, the state might need to **develop its own enrollment platform or enhance the federal platform** [congress.gov](https://www.congress.gov). The state will explore solutions such as using **private web brokers or a state-based portal** (similar to concepts in the Georgia Access Model) to let consumers enroll in any legal plan and apply credits. CMS has indicated a willingness to support certain IT modifications for states, and Nebraska will leverage that guidance, funding its own system changes as needed. The state will also coordinate with Treasury on how the refundable credits and HSA deposits are administered – for example, whether through the tax system or via direct state mechanisms. Any necessary data-sharing agreements (for income verification, etc.) will be arranged in advance.
- **Medicaid Coordination:** Since ACA §1332 cannot waive Medicaid law [kff.org](https://www.kff.org), Nebraska’s plan to allow Medicaid enrollees to opt into the age-based credit will be coordinated through **Medicaid waiver authority (Section 1115)** if required. Nebraska will engage CMS’s Medicaid division to either obtain an 1115 demonstration or otherwise ensure that individuals who choose to leave Medicaid for private coverage can do so without jeopardizing federal Medicaid funds. The 1332 waiver application will clarify that Medicaid eligibility remains available and that any shift by beneficiaries is voluntary. If a separate 1115 waiver is used, the state will **submit a combined or parallel application** as allowed by federal coordinated waiver processes [congress.gov](https://www.congress.gov), to streamline review. The outcome will be a cohesive program where Medicaid-eligible

individuals have a real choice: continue with Medicaid or take the age-based credit for private insurance.

- **Regulatory References and Compliance:** The waiver proposal will explicitly reference relevant statutes and regulations to demonstrate compliance. These include:
 - o **ACA §1332 (42 U.S.C. §18052)** – underlying waiver authority and requirements.
 - o **Implementing Regulations:** 45 C.F.R. §155.1308 (application procedures) and related sections, and 31 C.F.R. §33.108, among others, which outline required content (actuarial analyses, 10-year budget, etc.) and processes[congress.gov](https://www.congress.gov). Nebraska's application will be structured to follow the federal **1332 waiver application checklist**[reginfo.gov](https://www.reginfo.gov), ensuring all items (description of program, coverage projections, fiscal analysis, legislative authority, and alignment with guardrails) are included.
 - o **CMS Guidance:** The state will note its adherence to official guidance, such as the 2015 and 2018 policy guidance on Section 1332 waivers, indicating how the proposal aligns with federal expectations for innovation waivers. Any deviations (for example, using credits for non-QHP plans) will be justified within the flexibility of the law and guidance.
- **Ongoing Monitoring and Reporting:** Post-approval, Nebraska will comply with all federal monitoring requirements. Per 45 C.F.R. §155.1324, the state will submit **quarterly and annual reports** on the waiver's implementation and outcomes, and a final cumulative report at the end of the waiver period[congress.gov](https://www.congress.gov). These reports will help federal partners ensure the state remains within the waiver's terms (especially guardrails and budget neutrality) and will allow mid-course corrections if any issues arise.
- **Intergovernmental Communication:** Nebraska will maintain open communication channels with federal officials throughout the pilot. This includes briefing **CCIIO** on marketplace impacts, working with **Treasury's Office of Tax Policy** on credit/pass-through calculations, and engaging CMS's **Innovation Center** and **Medicaid** teams as needed. The waiver likely will involve a **Memorandum of Understanding (MOU)** or similar agreement between Nebraska and federal agencies to outline roles, particularly if creating new processes for credit distribution.
- **Terms and Conditions:** The state anticipates the approval will come with specific **Terms and Conditions** (STCs) it must abide by. Nebraska will ensure all program rules, consumer protections, and data reporting systems are in place to meet those federal conditions. This includes maintaining a robust **consumer assistance** process (for questions or complaints), ensuring **non-discrimination** in enrollment, and continuing to enforce **ACA protections** that are not waived (e.g. insurers must still cover preexisting conditions and cannot impose lifetime caps, etc.).
- **Sunset and Contingency Planning:** In coordination with federal agencies, Nebraska will develop a contingency plan to protect consumers in case the waiver needs to terminate early or not be renewed. Federal regulators will want assurance that if the pilot ends, individuals can transition back to ACA coverage or other options seamlessly. Nebraska's plan will include notice procedures to enrollees and mechanisms to revert to baseline provisions if needed, in compliance with federal rules.

Through these coordination steps and regulatory compliance measures, Nebraska will navigate the complex approval process and ensure the TrumpCare model pilot is launched in accordance

with federal law and oversight. The collaborative approach with CMS, CCHIO, and Treasury will help establish Nebraska as a pioneering test bed for health reform innovation under the ACA's waiver framework.

Conclusion

In summary, Nebraska's Section 1332 State Innovation Waiver proposal provides a **structured legal pathway** to implement the TrumpCare model's reforms at the state level. The outlined plan and timeline show how Nebraska will fulfill all federal requirements – from enacting state law and engaging stakeholders, to demonstrating guardrail compliance and budget neutrality – in order to **secure federal approval by 2025 and initiate the pilot in 2026**. By preserving existing coverage while introducing voluntary, age-based credits and HSAs, the waiver positions Nebraska as a **national laboratory for healthcare innovation**, testing whether the TrumpCare approach can expand choice, improve affordability, and maintain coverage levels under real-world conditions. If successful, this pilot could inform broader health policy, all while ensuring Nebraskans have the same or better coverage and cost protections guaranteed under the ACA [kff.org](https://www.kff.org). The state's legal and regulatory strategy, as detailed above, aims to make this ambitious demonstration a reality as quickly as possible, offering a viable **fallback solution** in the absence of federal legislative changes.

Sources: The above outline is based on ACA §1332 waiver guidelines and the core concepts of the TrumpCare model developed by Lee Benham, including voluntary opt-out provisions, age-based refundable credits with HSA rollovers, expanded plan choice and portability, and adherence to federal guardrails and processes [kff.org/congress.gov](https://www.kff.org/congress). All statutory and regulatory citations have been incorporated to ensure the outline aligns with current law and waiver application requirements.

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