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8  
 9 IN THE UNITED STATES DISTRICT COURT  
 10 FOR THE NORTHERN DISTRICT OF CALIFORNIA

11 **THE STATE OF CALIFORNIA; THE**  
 12 **STATE OF CONNECTICUT; THE STATE**  
 13 **OF DELAWARE; THE DISTRICT OF**  
 14 **COLUMBIA; THE STATE OF ILLINOIS;**  
 15 **THE STATE OF IOWA; THE**  
 16 **COMMONWEALTH OF KENTUCKY;**  
 17 **THE STATE OF MARYLAND; THE**  
 18 **COMMONWEALTH OF**  
 19 **MASSACHUSETTS; THE STATE OF**  
 20 **MINNESOTA; THE STATE OF NEW**  
 21 **MEXICO; THE STATE OF NEW YORK;**  
 22 **THE STATE OF NORTH CAROLINA; THE**  
 23 **STATE OF OREGON; THE**  
 24 **COMMONWEALTH OF PENNSYLVANIA;**  
 25 **THE STATE OF RHODE ISLAND; THE**  
 26 **STATE OF VERMONT; THE**  
 27 **COMMONWEALTH OF VIRGINIA; and**  
 28 **THE STATE OF WASHINGTON,**

Plaintiffs,

v.

23 **DONALD J. TRUMP, President of the United**  
 24 **States; ERIC D. HARGAN, Acting Secretary**  
 25 **of the United States Department of Health**  
 26 **and Human Services; UNITED STATES**  
 27 **DEPARTMENT OF HEALTH AND**  
 28 **HUMAN SERVICES; STEVEN T.**  
**MNUCHIN, Secretary of the United States**  
**Department of the Treasury; UNITED**  
**STATES DEPARTMENT OF THE**  
**TREASURY; and DOES 1-20,**

Defendants.

Case No. 4:17-cv-05895-KAW

**DECLARATION OF TK KEEN ISO**  
**PLAINTIFFS' APPLICATION FOR A**  
**TEMPORARY RESTRAINING ORDER**  
**AND ORDER TO SHOW CAUSE WHY A**  
**PRELIMINARY INJUNCTION SHOULD**  
**NOT ISSUE**

1 I, TK Keen, hereby declare and affirm as follows:

- 2 1. I am over the age of 18 and competent to testify.
- 3 2. I am the Deputy Administrator for the Division of Financial Regulation of the  
4 Oregon Department of Consumer & Business Services (“DCBS”). As such, I am  
5 responsible for insurance regulation, including the product regulation, policy,  
6 consumer education and advocacy, compliance and enforcement sections of the  
7 division. These duties encompass the area of health insurance subject to regulation  
8 by the State of Oregon. I have personal knowledge of the matters stated herein.
- 9 3. Approximately 50,000 Oregonians receive cost sharing reduction (“CSR”)   
10 subsidies under the Patient Protection and Affordable Care Act (“ACA”). DCBS  
11 has calculated that the value of CSR subsidies attributable to Oregon insureds under  
12 the ACA as approximately \$47.4 million for 2018. As a result of the Executive  
13 Order ending payment of CSR subsidies, insurers providing plans under the ACA  
14 will have to raise premiums to make up the difference. For the plan that drives costs  
15 in the market, our second lowest-cost Silver tier plan, this will result in a premium  
16 increase of 7.1 percent.
- 17 4. However, this rate increase will only go into effect for the 2018 policy year. DCBS  
18 has no ability to allow a rate increase for the remainder of the 2017 policy year.  
19 We estimate the loss of CSR subsidies for the remainder of 2017 as between \$7 and  
20 \$11 million. This will cause immediate damage to Oregon’s insurance marketplace  
21 for which DCBS has no remedy.
- 22 5. Although certain consumers receive premium tax credits that can help them meet  
23 the burden of the premium increase beginning in 2018, not all consumers are  
24 eligible for these credits. In particular consumers with incomes of 400 percent or  
25 more of the federal poverty level will be ineligible for these tax credits. It is likely  
26 that some of these consumers will simply do without health insurance, raising  
27 Oregon’s costs for uninsured health care, for example from emergency room visits  
28 and preventable illnesses.

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6. My office has to devote significant resources in manpower and funding to our response to the Executive Order ending CSR subsidies--manpower and funding we would that would otherwise have employed in protecting Oregon's consumers and the integrity of Oregon's insurance market.

**I declare under penalty of perjury that the foregoing is true and correct.**

EXECUTED on October 17, 2017.



TK KEEN