

August 10, 2017

The Honorable Chuck Schumer  
Senate Minority Leader  
322 Hart Senate Office Building  
Washington, D.C. 20510

Dear Sen. Schumer:

In March, our organizations, representing some of the nation's leading patient and provider advocacy groups, joined together to define a set of principles representing the essential components of any patient-focused health care reform plan.<sup>1</sup> These principles are specifically designed to protect the health and well-being of the millions of individuals we represent and their unique health care needs. The bills recently considered by the House and Senate contained provisions that would have had substantial and irreversible negative impacts on patients and their families, providers, communities, and economies. As Congress continues its efforts to reform the health care system, we urge policymakers to consider these principles and work in a bipartisan manner to craft proposals that improve access to care for our patients and strengthen the nation's health system in the near and long-term.

Today, millions of Americans, including many who are low-income or live with pre-existing health conditions, rely on health care coverage received through the Affordable Care Act (ACA). Our organizations have long said the ACA is by no means perfect, but it made important gains in access to coverage. It is clear that steps must be taken to both stabilize the individual health insurance marketplace and bring down premiums and other out-of-pocket costs. These changes are critical to maintain and expand access to quality and affordable insurance for low- and middle-income families across the nation.

To this end, we believe that the current law can be strengthened by focusing on the following critical issues:

#### Cost-Sharing Reductions (CSR)

A top priority that must be addressed immediately is ensuring continued funding for the ACA cost-sharing reductions. In the absence of expedited Congressional action, additional insurers could exit markets very soon, leaving patients without coverage options while forcing premium increases of at least 19 percent both on and off the marketplace exchanges.<sup>2</sup>

#### Supporting Coverage in Counties Without Insurers

Congress should identify ways to ensure insurer participation on the exchanges in bare counties. For instance, leveraging the Federal Employee Health Benefits Program (FEHBP), which offers private insurance coverage to federal employees in every county in the country, could help with this issue. Requiring private insurers who participate in FEHBP to issue insurance on the exchanges could be

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<sup>1</sup> Health Care Reform Principles: [http://www.heart.org/idc/groups/heart-public/@wcm/@adv/documents/downloadable/ucm\\_495416.pdf](http://www.heart.org/idc/groups/heart-public/@wcm/@adv/documents/downloadable/ucm_495416.pdf)

<sup>2</sup> C. Cox., What's the near-Term Outlook for the Affordable Care Act? (Kaiser Family Foundation, Aug. 2017). <http://www.kff.org/health-reform/issue-brief/whats-the-near-term-outlook-for-the-affordable-care-act/>

required as a condition for continued participation at the national level. Alternatively, waiving the insurer tax for issuers in counties without options could also be an appropriate stopgap measure.

#### Risk Reinsurance

Other key stabilization concepts Congress might consider include development of risk reinsurance proposals, akin to the program implemented in Alaska. Reinsurance reduces the risk to insurers of covering high-cost patients thus creating stability in the markets. This protects Americans from significant premium increases by offsetting the costs of sicker and more costly enrollees. We would also urge Congress to consider other innovative and financially sustainable risk mitigation proposals at either the state or federal level.

#### Outreach

It remains imperative that the administration and Congress devote adequate resources to state health insurance marketplace outreach and enrollment to ensure all eligible Americans have the opportunity to sign up for health insurance coverage. We know states that devote robust resources to marketing, outreach, and enrollment assistance programs experience higher rates of enrollment than those that do not.<sup>3</sup> A focus on enrollment also helps ensure that more low-cost individuals obtain insurance on the state health insurance exchanges to help offset the costs of older, sicker patients. We would urge these activities also be coupled with actions to streamline the application and enrollment process.

#### Tax Credits

As members of both parties have noted, affordability remains a barrier for many Americans to purchase adequate insurance. While we recognize the challenge of increasing program costs, we would support increasing financial support for individuals and families by expanding income eligibility for health insurance tax credits. Many middle-income families struggle to afford coverage with increasing premiums, deductibles, and copays.

#### Long-Term Costs

While we agree that affordability at the individual and family levels is a serious hurdle to securing coverage, we would also encourage Congress to examine other major factors that contribute to the rising cost of health care, including the rising costs of many treatments. Much but not all of our nation's health care spending is on the treatment of chronic disease, much of which can be prevented through evidence-based efforts. We urge you and your colleagues to work together to evaluate the root causes of these growing costs and address them directly.

Finally, while we remain ready to work on efforts to reduce unnecessary health care spending and costs and to improve the health insurance marketplace, this should not be done at the expense of ensuring access to quality care for all patients, including those who rely on the Medicaid program. Our organizations remain committed to retaining important patient protections including the ban on pre-existing conditions exclusions and premium rating, guaranteed issue, the prohibition on annual and lifetime benefit caps and continued coverage of critical essential health benefits. Essential health benefits must also continue as a federal benefit and must include preventive benefits that help maintain and improve the health and wellness of millions of Americans. And, finally, we urge Congress to maintain and support important health care safety net programs, such as Medicaid and the related Medicaid expansion.

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<sup>3</sup> J. Wishner, I. Hill, S. Benatar et al., Factors that Contributed to High Marketplace Enrollment Rates in Five States in 2015 (Urban Institute, Oct. 2015). See also S. R. Collins, M. Gunja, M.

We look forward to working with Congress to ensure all Americans have access to affordable and adequate health care coverage.

Sincerely,

ALS Association

American Diabetes Association

American Heart Association

American Lung Association

Arthritis Foundation

Cystic Fibrosis Foundation

Family Voices

March of Dimes

Muscular Dystrophy Association

National Health Council

National MS Society

National Organization for Rare Diseases

United Way Worldwide

Women Heart: The National Coalition for Women with Heart Disease