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January 11, 2024

The Honorable Bob Good
Chairman
Education and the Workforce Subcommittee
on Health, Education, Labor and Pensions
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mark DeSaulnier
Ranking Member
Education and the Workforce Subcommittee
on Health, Education, Labor and Pensions
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Good and Ranking Member DeSaulnier:

On behalf of the 1.4 million members of the American Federation of State, County and Municipal Employees (AFSCME), we request that you include this letter into the record for the Subcommittee hearing entitled, “Lowering Costs and Increasing Access to Health Care With Employer Driven Innovation.”

AFSCME remains committed to advancing policies that safeguard the health and well-being of our members and all American families. AFSCME collaborates with diverse stakeholders, including employers, to explore innovative approaches for reducing health care expenses for workers. As a result, we believe the goals of lowering costs and increasing access can be predominantly achieved by policies that build upon and strengthen current landmark laws such as the Affordable Care Act (ACA) and the Inflation Reduction Act (IRA).

Prior to the ACA, health insurance companies could impose annual and lifetime limits on coverage, refuse coverage based on pre-existing conditions or impose higher premiums solely based on gender. The ACA incorporated consumer protections, such as allowing young adults to remain on their parents’ health insurance plans until the age of 26, which resulted in extensive benefit coverage and widespread support. Over the past 14 years, the ACA has played a pivotal role in reducing health care costs and broadening access for families throughout the country. This impact has been particularly pronounced in states that expanded their Medicaid programs. The ACA’s coverage expansions served as a crucial safety net during the COVID-19 pandemic, offering support to individuals who lost their jobs and faced disruptions in their health care coverage.

Even though the Affordable Care Act is the law of the land, it continues to expand coverage and benefits, and is more popular than ever among voters, yet there continues to be calls to terminate the ACA. AFSCME strongly opposes policies that would repeal or weaken the ACA. Doing so would have a detrimental impact on AFSCME members’ health care coverage and lead to higher health care costs.

We also strongly support the IRA and its key provisions to reign in skyrocketing prescription drug costs. This historic law gives the Secretary of Health and Human Services the authority to negotiate lower drug prices for America’s seniors. We urge the Committee to

American Federation of State, County and Municipal Employees, AFL-CIO

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expand upon this law by enacting the Lowering Drug Costs for American Families (H.R. 4895), which would expand the number of drugs subject to negotiation and extend drug price negotiation to workers with private coverage. If signed into law, it could potentially benefit 164 million people who receive health coverage through their jobs and more than 16 million individuals who have coverage through health insurance marketplaces. Further, sponsors indicate that the drug rebate savings alone for those in private insurance plans would be as much as \$40 billion over the next 10 years.

Health care is a right, not a privilege. Among other policies, AFSCME supports strengthening the Affordable Care Act to reduce costs and increase access to health care and opposes any effort to allow insurance companies to discriminate against people with pre-existing conditions. We support cutting the cost of prescription drugs by negotiating with drug companies.

Thank you for your attention and consideration of our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Edwin S. Jayne". The signature is fluid and cursive, with a prominent initial "E".

Edwin S. Jayne
Director of Federal Government Affairs

ESJ:DH:lm

cc: Members of the Committee