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ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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June 27, 2014

Mr. Mark Pratt
Senior Vice President of State Affairs
America's Health Insurance Plans
601 Pennsylvania Avenue, N.W.
South Building, Suite 500
Washington, D.C. 20004

Dear Mr. Pratt:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Wednesday, May 7, 2014, to testify at the hearing entitled "PPACA Enrollment and the Insurance Industry."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Friday, July 11, 2014. Your responses should be mailed to Brittany Havens, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to brittany.havens@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Tim Murphy
Chairman
Subcommittee on Oversight and Investigations

cc: Diana DeGette, Ranking Member, Subcommittee on Oversight and Investigations

Attachment

Attachment—Additional Questions for the Record

The Honorable Marsha Blackburn

1. Mr. Pratt, has your organization done any analysis on whether consumers have been able to keep the doctors or medical providers they enjoyed prior to full implementation of the health care law? Please describe this analysis and submit it for the record.
2. Has your organization done any analysis on the networks of providers offered by providers selling plans on the federal exchange? Please describe this analysis and submit it for the record.

The Honorable Michael C. Burgess

1. While some of the basic problems with the front-end components that individuals face on HealthCare.gov have been addressed, numerous news sources continue to report that problems still plague the back-end systems that affect insurers.
 - a. Have any significant improvements been made to these components?
 - b. How will these continued problems affect plan participation and premiums for 2015?
2. 834 transmissions provide insurers with enrollment information for individuals from HealthCare.gov. It has been repeatedly reported that there are numerous errors in these transmissions with failure rates of over 30%.
 - a. Has this been your experience?
 - b. What is your estimation of the failure rate?
 - c. Has the failure rate improved over time and by how much?
 - d. What problems has this caused for your companies, your enrollees, and contracted providers?
3. Due to problems with the 834 transmissions, there have been reports and witness testimony about a large number of duplicate enrollments.
 - a. Do you have an estimation of the number of duplicate enrollments in your system?
 - b. Do you think the Administration has included duplicate enrollments in their enrollment totals?
4. The Obama Administration issued a final regulation in 2012 saying that enrollees would enter a 90-day grace period for non-payment of premiums before their coverage is

terminated. The final rule stipulates that insurers only have to pay valid claims for the first 30 days of the 90-day grace period.

- a. If enrollees do not continue to pay their premiums and they enter a grace period, do you plan to pay providers for claims during the entirety of the grace period?
 - b. If you do not pay the claims, who will make providers whole?
 - c. Do you have a reconciliation process with providers for recouping payments made for claims incurred during a grace period?
 - d. Do you have any data on the number of enrollees who fail to pay their premiums after the first month? If so, please provide this data.
5. One of the major concerns raised about the implementation of the law is that individuals may stop paying their premiums at some point, enter a 90-day grace period and eventually their coverage will be canceled due to nonpayment.
- a. Do you know how many enrollees are currently covered but behind on paying their premiums?
 - b. The law says that you must provide this information to HHS. Are you doing so?
 - c. What is the process for communicating with providers when enrollees enter a grace period?
6. Because of the significant back-end issues with HealthCare.gov, there is a strong possibility for inaccurate premium subsidies being paid to insurers from the federal government. The Washington Post recently reported that the federal government is likely providing inaccurate premium subsidies to more than one million new enrollees.
- a. Is there a reconciliation process in place to either recoup payments that were too low or return payments that were too high?
 - b. Please describe the process if there is a process in place.
 - c. If there is a process, have any miscalculated payments been reconciled?
 - d. If miscalculated payments have been reconciled, how many have been processed?
 - e. Please provide an estimation for the administrative cost of these miscalculations if possible.
 - f. How might the miscalculation of payments affect plans for next year in terms of participation or premiums?

7. The ACA imposes an annual health insurance industry fee on carriers based on their proportion of market share.
 - a. How is this fee affecting premiums currently and in the future?
 - b. How is this fee affecting the decision to participate in the marketplace?

The Honorable Pete Olson

1. In your experience, has CMS built the operation function to pay health plans participating in the Federally Facilitated Marketplace? Specifically are the Advanced Premium Tax Credit and the Cost Sharing Reduction payment amounts currently working?
2. Are you aware of how CMS accounts for the monies collected by the Federally Facilitated Marketplace user fee? If yes, then in your experience how does the money generated by this fee used for the operation of the Federally Facilitated Marketplace?
3. Are there outstanding 834 transactions? If yes, has CMS offered any explanation as to why? And if they have explained, what does CMS attribute the delay to?

The Honorable Morgan Griffith

1. One of the most troubling side-effects of Obamacare is happening across the country to patients who have found that their physicians – particularly specialists – are not part of their new health plan networks. During the open enrollment period for PPACA, individuals had limited information about whether their doctors were covered in a particular plan. Once enrolled, far too many of my constituents are faced with a difficult choice – give up their specialist or pay the high cost sharing required for out-of-network physicians.
 - a. What can I tell my constituents to do in the next open enrollment period to determine which specialists are covered in their Exchange plans?
 - b. What kind of information about provider networks will be available to help them choose a plan?
 - c. What is your company doing to improve transparency about provider networks next year to make it easier for patients to keep access to their existing specialists?