

June 17, 2020



The Honorable Frank Pallone
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Greg Walden
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Anna Eshoo
Chairwoman
Energy and Commerce Health Subcommittee
U.S. House of Representatives
Washington, DC 20515

The Honorable Michael Burgess
Ranking Member
Energy and Commerce Health Subcommittee
U.S. House of Representatives
Washington, DC 20515

Dear Leaders:

On behalf of the Blue Cross Blue Shield Association (BCBSA), I write to applaud your leadership in holding today's critically important hearing, "Health Care Inequality: Confronting Racial and Ethnic Disparities in COVID-19 and the Health Care System." With African Americans dying from the coronavirus at a rate [nearly two times](#) their share of the U.S. population, the COVID-19 pandemic has magnified the serious, often deadly impact of long-term, ongoing racial and ethnic disparities in our health care system. We strongly agree that addressing this issue should be a national priority.

BCBSA represents the 36 independent, community-based and locally operated Blue Cross and Blue Shield (BCBS) companies nationwide that collectively provide health care coverage to one in three Americans. We strongly support access to high-quality health care services for everyone, regardless of race, color, national origin, sex, gender identity, sexual orientation, age or disability.

Research shows that racial and ethnic minorities experience higher rates of chronic illnesses, worse health outcomes, poorer access to health care and greater distrust of the health care system compared to non-Hispanic Whites in our country. To address the social and environmental factors that influence health and health outcomes, BCBSA created the BCBS Institute to analyze geographic population patterns via ZIP code data to identify the most problematic gaps in community access to resources. Through these efforts, the BCBS Institute goes beyond the walls of the traditional provider setting to reach into the daily realities of communities across the country.

For example, San Mateo County, California is experiencing a steady increase in COVID-19 cases, and this trend is disproportionately affecting the Hispanic population. Confirmed COVID-19 cases among Hispanic residents are 6,452 per 1 million compared to 1,301 per 1 million among White residents. The BCBS Institute is overlaying COVID case and death data with its existing social determinants of health (SODH) data to understand what environmental factors, such as occupational and home environment, may be contributing to the trends of increased caseload and death in minority communities.

Leveraging this data, BCBS companies are working with physician, hospital and community partners to lead vital initiatives that break down barriers, help address disparities and close critical access gaps. For example, Horizon Blue Cross Blue Shield of New Jersey launched a pilot program addressing racial disparities in health care in 2017 in Newark and expanded the program statewide earlier this year.

With a \$25 million investment from funds the company received as a result of the 2017 federal tax reform, “Horizon Neighbors in Health” engages members in 70 ZIP codes and emphasizes individual needs – with a goal of enrolling 24,000 people who need better health care. Partnering with the state’s three largest health systems, several community groups and a tech company, the program analyzes medical claims data, demographic information and neighborhood characteristics to help identify not only what is making people sick, but also who is most likely to need medical care by focusing on addressing critical elements such as transportation, housing or food insecurity, which often fall outside a traditional care delivery model.

BCBSA’s “Health of America” initiative also harnesses data insights to improve understanding of health care challenges, with Black maternal health a priority focus. Our Maternal Health Report examined 1.5 million pregnancies among commercially insured women from 18 to 44 years of age and accounted for 99 percent of those women’s pregnancies occurring between 2014 and 2017. As part of our analysis, we focused on trends in the most significant complications associated with pregnancy and delivery. This research helps us to better understand the state of maternal health in America, particularly among Black women as they experience many of these complications at a significantly higher rate than their White counterparts.

Our data shows that despite tremendous health advances, the United States continues to have the highest maternal death rate of any developed country. Research from experts in the field outside of BCBSA have noted that across the country, maternity care deserts and continued disparities in health insurance coverage are threatening women’s access to necessary care before, during and after childbirth. These barriers, among other challenges, help contribute to substantial racial disparities facing African American women. BCBS companies are working to stop these disparities. Some examples include:

- In Maryland, Virginia and Washington, D.C., CareFirst BlueCross BlueShield is awarding \$2 million over the next two years to programs seeking to improve birth outcomes, maternal health and lower infant mortality rates. CareFirst already has contributed more than \$18 million to address these issues since 2007, and the investments are paying off. From 2009 to 2018, through the B’More for Health Babies Initiative, Baltimore City, whose residents often have significant unmet maternal and child health needs, saw a 36 percent decrease in infant mortality, a 38 percent decrease in the Black-White disparity in infant mortality and a 55 percent decrease in teen births.
- Blue Cross and Blue Shield of South Carolina is part of a statewide collaboration helping babies reach their first birthday. The South Carolina Birth Outcomes Initiative educates women about the benefits of regular prenatal care and the importance of waiting until 39 weeks before giving birth. Now, fewer babies are born with low birth weights; fewer spend their first weeks in the NICU; there has been a 30 percent decrease in babies born before 37 weeks; and infant mortality has dropped to its lowest rate in 20 years.
- Blue Cross and Blue Shield of Louisiana offers Healthy Blue Beginnings for mothers with high-risk pregnancies. The program identifies at-risk women and offers expectant mothers confidential nursing support specific to their individual needs. Expectant mothers are also encouraged to sign up for text4baby, which sends free health and safety tips via text message. Each message is tailored to the mother’s due date.

Research shows that differences in SDOH – access to high-quality jobs and economic stability, quality education, and health care services – contribute to racial inequities in health. This disproportionately impacts medically underserved and marginalized communities that experience higher rates of chronic health conditions, such as diabetes, hypertension and asthma. These chronic health conditions predispose individuals in these communities to greater risk of mortality should they contract COVID-19.

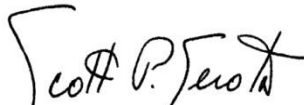
Therefore, we continue to advocate for policies that will expand access to all people so that everyone can get the care they need. This includes:

- **Providing assistance for those who may lose employer insurance coverage due to the economic downturn:** We have provided lawmakers with recommended language to fully subsidize COBRA premiums on a temporary basis. This language is largely modeled after the COBRA subsidies that were part of the “American Recovery and Reinvestment Act” (ARRA). It is similar to H.R. 6514 (the “Worker Health Coverage Protection Act”) with some differences in the length of coverage, the start date of coverage and the reimbursement mechanism. For many individuals, COBRA will be a better option than individual market coverage as they are familiar with the coverage, and they may have already made progress towards satisfying their deductibles and out-of-pocket maximums.
- **Improve tax credits for those relying on individual coverage:** We recommend that Congress enhance financial assistance and reduce the required contribution percentage to lower the cost of premiums as millions of Americans transition from employer-based coverage to individual plans as a result of job loss due to the COVID-19 pandemic – a trend that disproportionately affects racial minorities. We also recommend that Congress address the potential for the increase in unemployment insurance provided in the Families First Coronavirus Relief Act to reduce tax credits available in the individual market.
- **Expand funding for state Medicaid expansions and coverage for the uninsured during the COVID emergency.** We support an increase in the Federal Medicaid Assistance Percentage (FMAP) to encourage states to extend Medicaid coverage. We also support continued direct funding for testing and care related to COVID-19 for those who are uninsured.

We look forward to working with Congress as lawmakers develop legislation to address SDOH and to halt health inequities exacerbated by the pandemic. BCBSA is also actively engaging Members of Congress and organizations that support and advocate on behalf of people of color. We are working with the Congressional Black Caucus Foundation, Congressional Hispanic Caucus Institute and the National Hispanic Medical Association to highlight inequities in health care and engage in a dialog around needed solutions.

Again, I thank you for your leadership in holding today’s hearing as well as your commitment to addressing health care inequality and confronting racial and ethnic disparities in COVID-19 and the entire U.S. health care system. We look forward to working with Congress and all stakeholders to advance health equity.

Sincerely,



Scott P. Serota
President and Chief Executive Officer