



March 22, 2021

Honorable Frank Pallone  
Chairman  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Cathy McMorris Rodgers  
Ranking Member  
Committee on Energy and Commerce  
2322 Rayburn House Office Building  
Washington, DC 20515

The Honorable Anna Eshoo  
Chairwoman, Health Subcommittee  
Committee on Energy and Commerce  
272 Cannon House Office Building  
Washington, DC 20515

The Honorable Brett Guthrie  
Ranking Member, Health Subcommittee  
Committee on Energy and Commerce  
2434 Rayburn House Office Building  
Washington, DC 20515

### **Statement for the Record**

*“Building on the ACA: Legislation to Expand Health Coverage and Lower Costs”*

The Leukemia & Lymphoma Society’s (LLS) mission is to cure leukemia, lymphoma, Hodgkin’s disease, and myeloma, and to improve the quality of life of patients and their families. We advance that mission by advocating that blood cancer patients have sustainable access to quality, affordable, coordinated healthcare, regardless of the source of their coverage. LLS evaluates all health care policy proposals through the lens of our Principles for Meaningful Coverage. These principles give us an objective and constructive means of evaluating health care policies impacting the patients we serve.<sup>1</sup>

We are pleased to see the Committee advance policies on the 11<sup>th</sup> anniversary of the ACA’s passage that would substantially improve patient access to high-quality, affordable healthcare, limit the expansion of sub-par insurance products, and strengthen the Medicaid program.

### **Strengthening and Expanding Access to the Affordable Commercial Insurance**

#### *Permanent Federal Reinsurance Program*

Reinsurance programs at both the state and federal levels have shown promising results in controlling overall premium growth and, in some cases, reducing premiums.<sup>2</sup> In seven states where reinsurance programs have been established, premiums declined by almost 20 percent on average in just the first year of the program’s implementation.<sup>3</sup> At the federal level, reinsurance has helped to stabilize premiums in a number of healthcare programs, such as Medicare Part D. Further, a temporary reinsurance fund for the individual market was established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent.<sup>4</sup>

For these reasons, we believe a national, federally operated reinsurance program aimed at reducing premiums for people enrolled in coverage via the ACA could aid in increasing health insurance affordability and stabilizing the ACA marketplaces for the long term.

#### *Limiting the Availability of Non-Compliant Plans*

LLS has been vocal about our deep concerns regarding the availability and expansion of non-compliant plans for many years, including short-term, limited-duration (STLD) insurance. These products have disproportionately harmed patients with pre-existing conditions. While STLD plans can offer cheaper

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<sup>1</sup> The Leukemia & Lymphoma Society. Principles for Meaningful Coverage. Retrieved from: <https://www.lls.org/cancercost/principles>

<sup>2</sup> Sloan, C., Rosacker, N., & Carpenter, E. (2020, February 11). State-run reinsurance programs reduce ACA premiums by 19.9% on average. Retrieved from <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-19-9-on-average>

<sup>3</sup> *Ibid.*

<sup>4</sup> *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes* (Rep.). (2017, January). Retrieved from American Academy of Actuaries; Individual and Small Group Markets Committee website: [https://www.actuary.org/sites/default/files/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/sites/default/files/files/publications/Acad_eval_indiv_mkt_011817.pdf)

premiums for some consumers, they are not required to adhere to important standards, including prohibitions on discrimination against people with pre-existing conditions, coverage for the 10 essential health benefit categories, limitation on age rating of premiums, annual out of pocket maximums, prohibitions on gender rating, annual benefit limits, and lifetime coverage limits, and many other critical patient and consumer protections. In fact, two separate studies of plans being sold in 2019 found that a majority do not cover all of the essential health benefits—particularly prescription drugs and mental health.<sup>5,6</sup>

For these reasons, LLS strongly supports legislation that would limit their availability and make them comply with the robust patient protections that apply to plans sold on the ACA marketplaces. Additionally, we urge the Committee to explore additional policies that would limit access to other types of non-compliant and sub-standard coverage such as Association Health Plans, Healthcare Sharing Ministries, Limited Indemnity products amongst others.

#### *Strengthen, Improve, and Expand Resources for Consumers*

Navigating the complexities of health insurance coverage is challenging and intimidating for consumers and patients - especially for those who are managing a health crisis, diagnosis, or ongoing treatment.<sup>7,8</sup> Additionally, it is critical that patients and consumers, including those with pre-existing conditions like blood cancer, have the resources and tools they need to make informed decisions when shopping for coverage. LLS supports and encourages the Committee's work to immediately expand and strengthen core programs that aid patients and consumers in their decision making process by fully funding navigator programs and placing funding and operational mandates on outreach and enrollment activities.

Additionally, the Committee should consider additional patient and consumer facing legislation that would heighten scrutiny and standards for insurance brokers, consumer assistance programs, and increase transparency and standards for enhanced direct enrolment entities.

#### *Premium Adjustment Factor*

LLS strongly opposed the revisions to the premium adjustment factor in past Notice of Benefit and Payment Parameters (NBPP) rules because it unnecessarily increased enrollee premium contributions by decreasing the value of APTCs. This change disproportionately impacts lower-income individuals and those with higher healthcare needs, including people with blood cancer. We strongly support the Committee's steps to correct this problem thereby making coverage more affordable.

#### *Network Adequacy*

It is critical that Congress and the Administration take steps to further strengthen network adequacy standards in the ACA marketplaces and beyond. Patients, particularly those with chronic and serious illnesses, often require multidisciplinary care from physician specialists and non-physician health care providers, to meet the wide range of their health care needs. These types of care team models need to be considered when creating a robust network. Furthermore, time and distance standards for most providers, while an important baseline for network adequacy, frequently do not result in an adequate network for

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<sup>5</sup> Hansen, D., & Dieguez, G. (2020, February). The impact of short-term limited-duration policy expansion on patients and the ACA individual market. Milliman Actuarial. <https://www.lls.org/sites/default/files/National/USA/Pdf/STLD-Impact-Report-Final-Public.pdf>

<sup>6</sup> U.S. House of Representatives Committee on Energy and Commerce. (2020, June). Shortchanged: How the Trump Administration's Expansion of Junk Short-Term Health Insurance Plans is Putting Americans at Risk. Subcommittee on Health and Subcommittee on Oversight and Investigations—Democratic Staff Report [https://drive.google.com/file/d/1uiL3Bi9XV0mYnxpyalMeg\\_Q-BJaURXX3/view](https://drive.google.com/file/d/1uiL3Bi9XV0mYnxpyalMeg_Q-BJaURXX3/view)

<sup>7</sup> Norton, M., Hamel, L., & Brodie, M. (2014, November 12). *Assessing Americans' Familiarity With Health Insurance Terms and Concepts*. KFF. <https://www.kff.org/health-reform/poll-finding/assessing-americans-familiarity-with-health-insurance-terms-and-concepts/>

<sup>8</sup> Kirzinger, A., Wu, B., & Brodie, M. (2019, April 24). *KFF Health Tracking Poll – November 2018: Priorities for New Congress and the Future of the ACA and Medicaid Expansion*. KFF. <https://www.kff.org/health-reform/poll-finding/kff-health-tracking-poll-november-2018-priorities-congress-future-aca-medicaid-expansion/>

patients. LLS appreciates the Committee’s work to establish standards by which network adequacy can be measured, monitored, and improved over time.

## **Medicaid**

### *Increase the Medicaid FMAP*

State Medicaid programs provide a vital safety net, especially during times of national crisis, covering traditionally underserved populations. LLS strongly supports the Committee’s efforts to increase the Medicaid FMAP. Estimates find that between February and September of 2020, Medicaid enrollment grew by 6.1 million, with enrollment expected to have continued to grow when additional data is available.<sup>9</sup> Additional support for states is essential to ensuring that state Medicaid programs can meet this increased demand for coverage and continue to provide quality and affordable healthcare to the patients we represent both now and into the future.

### *Incentivize Remaining States to Expand Medicaid*

The COVID-19 crisis has highlighted the pressing need to reduce our nation’s uninsured rate. Those without health insurance may fear seeking help because of the cost of treatment, contributing to poorer health outcomes for themselves as well as continued community spread of this disease. Expanding Medicaid coverage to all individuals with incomes below 138 percent of the federal poverty level (\$2,525 income per month for a family of three) could extend coverage to 4.8 million uninsured adults living in states that have not taken up this expansion to date.<sup>10</sup> The benefits of expansion are clear, including improved access to coverage and positive health outcomes for patients, as well as economic benefits to states and hospitals.<sup>11</sup>

LLS supports the Committee’s actions to enhance FMAP funding for states that expand their Medicaid programs – a financial incentive that was available to states that expanded their programs in 2013.

### *Continuous Eligibility & Streamlined Enrollment*

We also strongly support the Committee’s work to implement policy that would require Medicaid enrollees to maintain their coverage for a full year despite fluctuations in income or family status. This policy, which is already available for CHIP, would help ensure continuity of care by allowing individuals and families to maintain access to providers, medications, and services for a full year – eliminating reporting requirements and paperwork that create barriers to retaining coverage. Studies indicate that renewal requirements and eligibility reviews occurring more frequently than once every 12 months result in large number of enrollees losing access to coverage and contributing to churn.<sup>12,13,14</sup>

### *Strengthen and Improve CHIP*

Since its passage, CHIP has been a core source of health insurance coverage for children in families making too much to qualify for Medicaid but too little to purchase private health insurance. LSS supports

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<sup>9</sup> Corallo, B., & Rudowitz, R. (2021, January 21). Analysis of recent national trends in Medicaid and CHIP enrollment. Retrieved from <https://www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicaid-and-chip-enrollment/>

<sup>10</sup> Garfield, R., Orgera, K., & Damico, A. (2021, January 21). The coverage gap: Uninsured poor adults in states that do not expand Medicaid. Retrieved from <https://www.kff.org/medicaid/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/>

<sup>11</sup> Guth, M., Garfield, R., & Rudowitz, R. (2020, March 17). The effects of Medicaid expansion under the ACA: Updated findings from a literature review. Retrieved from <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>

<sup>12</sup> Phillips, J. A., Miller, J. E., Cantor, J. C., & Gaboda, D. (2004). Context or composition: What explains variation in SCHIP disenrollment. *Health Services Research*, 39(4p1), 865-886. doi:10.1111/j.1475-6773.2004.00262

<sup>13</sup> Ku, L., & Cohen Ross, D. (2002, December 1). Staying covered: The importance of retaining health insurance for low-income families. Retrieved from <https://www.commonwealthfund.org/publications/fund-reports/2002/dec/staying-covered-importance-retaining-health-insurance-low-income>

<sup>14</sup> Hill, I., & Westpfahl Lutzky, A. (2020, May 04). Is there a hole in the Bucket? Understanding SCHIP Retention. Retrieved from <https://www.urban.org/research/publication/there-hole-bucket-understanding-schip-retention>

the Committee's bipartisan work to strengthen and improve the program by securing permanent CHIP funding authorization which is currently set to expire in 2027. Additionally, we support providing additional funding support to the CHIP program during the COVID-19 pandemic and the establishment of optional pathways that would allow states to expand coverage for children under CHIP to 300% without applying for a waiver through HHS - bringing more children into high-quality coverage.

*Strengthen Medicaid in the Territories*

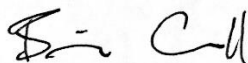
Nearly since the beginning of the program, the statute has limited territorial FMAP at 55% and put a cap on total funding. The FMAP and cap have been raised at times, including most recently in the Families First Coronavirus Response Act. The most recent extension will expire September 30, 2021. Congress should eliminate the cap and change the FMAP calculation to match that provided to the states.

**Conclusion**

Again, LLS is grateful for the Committee's work to advance policies that would make high-quality affordable health insurance readily available to patients with blood cancer and hope that today's hearing is just one in a series of steps to strengthen and improve our nation's system of care.

If you have any questions about the content of this statement or would like to discuss LLS' priorities for high-quality, affordable coverage, please contact Katie Berge, Director of Federal Affairs at [katie.berge@lls.org](mailto:katie.berge@lls.org) or (319)541-7540.

Sincerely,



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Executive Director of Federal Affairs  
The Leukemia & Lymphoma Society