



June 8, 2016

TO: Members, Subcommittee on Health

FROM: Committee Majority Staff

RE: Legislative Hearing entitled “Advancing Patient Solutions for Lower Costs and Better Care”

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## I. INTRODUCTION

On June 10, 2016, at 9:15 a.m. in 2322 Rayburn House Office Building, the Subcommittee on Health will hold a hearing entitled “Advancing Patient Solutions for Lower Costs and Better Care.”

## II. WITNESSES

The Subcommittee will hear from the following witnesses:

- Grace-Marie Turner, Founder, President and Trustee, Galen Institute, Inc.;
- Doug Holtz-Eakin, President, American Action Forum; and
- Sara Collins, Vice President of Health Coverage and Access, Commonwealth Fund.

## III. BACKGROUND

On May 10, 2016, the Subcommittee on Health held a hearing to examine patient-focused reforms that embrace three goals: pre-existing condition protections, lower costs and more choices, and market stability without mandates.

During this hearing, the subcommittee will discuss legislation focused on modernizing the current health insurance market by empowering States to better regulate markets tailored to their unique conditions. Each of these solutions aims to address current problems that have been identified during previous Subcommittee hearings. The Subcommittee will discuss the following legislation:

- A. H.R. \_\_\_\_\_, to amend the Patient Protection and Affordable Care Act to better align the grace period required for non-payment of premiums before discontinuing coverage under qualified health plans with such grace periods provided for under State law

Drafted by Rep. Flores (R-TX), this bill would align grace periods with the time period a State uses for patients in their individual market, or 30 days. Updating this period of time is one

way to encourage patients to be engaged in their care and incentivized to stay covered. This would also decrease gaming by individuals that do not pay for their care and reenroll during the following open enrollment period.

**B. H.R. \_\_\_\_\_, to amend title I of the Patient Protection and Affordable Care Act to require verification for eligibility for enrollment during special enrollment periods in PPACA insurance plans, and for other purposes**

Authored by Vice Chairman Blackburn (R-TN), this bipartisan bill would require individuals enrolling in exchanges outside of the standard open enrollment period to verify that they are eligible for a special enrollment period. Since the exchange enrolls individuals, it would also be responsible for the verification process. Under this proposal, a study would be conducted to better understand the number of individuals who seek enrollment during through this non-traditional process.

**C. H.R. \_\_\_\_\_, to amend title XXVII of the Public Health Service Act to change the permissible age variation in health insurance premium rates**

Rep. Brooks (R-IN) crafted this bipartisan bill, which would adjust the age-rating ratio for health care pricing. Today, the most generous health care plan can only cost three times the least costly plan. Before 2010, it was common for States to use a five-to-one ratio, broadening the range of pricing options to better serve unique patient needs. Many observers believe the more stringent three-to-one ratio under current law has damaged the stability of risk pools and priced young, healthy patients out of the insurance market.

**D. H.R. 3463, Aligning Children's Dental Coverage Act**

This bipartisan bill was introduced by Rep. Griffith (R-VA) and Rep. DeGette (D-CO). Under current law, individuals and families are not able to buy stand-alone dental plans outside of exchanges. This bill would allow these dental plans to be purchased both on and off exchanges.

**E. H.R. 4262, Transparency and Accountability of Failed Exchanges Act**

This bill, introduced by Rep. Allen (R-GA), would establish an audit process for failed State exchanges. Any unallocated or misspent Federal dollars would be returned to the U.S. Department of Treasury for deficit reduction, along with government property that is no longer in use due to the failure of the State exchange. Under the bill, the General Services Administration process for Federal property disposal would be followed.

#### **IV. STAFF CONTACTS**

If you have any questions regarding this hearing, please contact Adam Buckalew of the Committee staff at (202) 225-2927.