American Hospital Association™
Advancing Health in America

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July 27, 2021

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W., Room 445-G
Washington, DC 20201

RE: Patient Protection and Affordable Care Act; Updating Payment Parameters, Section 1332 Waiver Implementing Regulations, and Improving Health Insurance Markets for 2022 and Beyond Proposed Rule (CMS-9906-P)

Dear Administrator Brooks-LaSure:

On behalf of the American Hospital Association's (AHA) nearly 5,000 member hospitals, health systems and other health care organizations, including approximately 90 that offer health plans, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, we thank you for the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed updates to the certain rules governing the health insurance markets.

The AHA has long advocated for policies to achieve universal coverage. We strongly support efforts to close the coverage gaps by ensuring that consumers have access to comprehensive, affordable coverage through the marketplaces, and we commend CMS on its actions to improve such access. AHA supports many of the policies being proposed in this rule, including expanding the annual open enrollment period and establishing additional special enrollment periods, as well as repealing the direct enrollment option and recent section 1332 waiver policies. We also have raised concerns about the decreased focus on and funding for outreach and enrollment and appreciate CMS' swift reversal of those policies, including dedicating significant resources to marketing for the 2021 special enrollment periods and offering $80 million in new funding for navigators in federal-facilitated marketplace states for plan year 2022. **We look forward to continuing to partner with you on this important work.**

In addition to closing the remaining coverage gaps, the AHA is committed to ensuring that health insurance coverage is affordable and works well for consumers. **While potentially outside of the scope of this regulation, we urge CMS to address two critical issues: substandard coverage and unaffordable and confusing cost-sharing structures.**

Hospitals and health systems remain deeply concerned about the proliferation of substandard coverage options over the last several years, such as short-term, limited duration health plans and health sharing ministries. These "plans" provide inadequate access to care and can subject consumers to greater out-of-pocket spending when illness or injury occur. Hospitals and health systems report that patients enrolled in these products often find themselves without coverage for emergency services, cancer care and hospital stays, among other services. It is well documented that the sponsors of these products often mislead individuals into purchasing these plans, which often lack basic consumer protections and, as a result, subject consumers to high, unexpected out-of-pocket costs and uncertainty about their coverage. **The AHA urges CMS to limit the availability of these plans and help educate consumers about their drawbacks.**

Similarly, we must address out-of-control cost-sharing. We are deeply concerned with both the amount and the complexity of patient cost-sharing. Patients struggle to understand their health plan benefit structures and avoid care as a result of both the uncertainty around their cost-sharing obligation, as well as the amount. Increasingly we are hearing reports of commercial health insurers implementing confusing and convoluted policies such as mid-year coverage changes and complex cost-sharing and network structures that leave patients unsure of whether providers are in-network or how much they may have to pay. Patients also express confusion around how their coverage works, including which services apply to their deductibles and the interaction between point-of-service co-pays, co-insurance and deductibles. This leaves patients uncertain about what is covered and what they may owe, which leads to hesitancy about seeking care at all.

We cannot allow this to continue. We must address this through health plan benefit reforms, beginning with high-deductible health plans (HDHPs). These types of products are often marketed – inaccurately – as more cost-effective options for lower income individuals and families. As a result, many people find themselves with health coverage that they cannot use or that subjects them to unexpected medical bills, creating undo financial and emotional stress. We appreciate that CMS finalized a lower premium adjustment percentage for the 2022 plan year than originally proposed, leading to slightly lower out-of-pocket cost limits. However, these limits are still likely to leave many individuals vulnerable to financial hardship. We urge the agency to take steps to simplify cost-sharing structures and reduce the amounts owed out of pocket.

We commend CMS for taking additional steps to make high-quality health care accessible and affordable for patients. We look forward to opportunities to work together to achieve affordable, universal coverage through the framework established under the Affordable Care Act. Please contact me if you have questions, or feel free to have a member of your team contact Ariel Levin, AHA's senior associate director of policy, at 202-626-2335 or alevin@aha.org.

Sincerely,

/s/

Stacey Hughes
Executive Vice President