



DATE: April 20, 2018

TO: Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

RE: CCHF Public Comments on CMS—9924—P

Thank you for this opportunity to comment on the proposed deregulatory action to offer short-term, limited duration insurance for a longer period of time than currently allowed.

### **General Comments:**

Individual freedom includes the freedom to choose to be insured or uninsured, the freedom to decide how long to be insured or uninsured, and the freedom to decide the type of health insurance or coverage to purchase. When the Affordable Care Act became law, many of those freedoms were eliminated.

We support the Trump administration's attempt to restore freedom and affordability for care and coverage while we await either full repeal of the ACA or the development and growth of care and coverage options that are beyond the reach of the ACA and its rules, regulations, restrictions and costly requirements. This initiative is in line with E.O. 13771 and E.O. 13813.

### **Specific Comments:**

Expand Duration of STLD Policies - Although we support extending the duration of STLD policies to the proposed 12 months, we ask you to consider providing issuers with the option of longer-duration policies. Under the ACA, health insurance policies remain unaffordable, and this is not expected to change until or unless the ACA's costly insurance regulatory framework is repealed. Individuals will need affordable coverage far into the future unless the law or the regulatory framework is repealed.

We suggest authorizing STLD policies to extend to at least three years, if not five years.

Conditions Under Which STLD Policies Can Be Extended - Until the ACA becomes a *limited-duration law*, citizens who wish to have coverage for catastrophic medical events will need access to affordable, short-term policies that have a longer duration. These policies will protect them from the limited networks and high costs of ACA-compliant policies and exchange coverage. STLD policies should be offered unconditionally.

Required Notice is Clear - the language is clear and understandable for policies issued before and after January 1, 2019.

Easiest Way to Streamline Reapplications - The best way to streamline reapplication is to allow issuers to offer STLD policies for longer than 12 months.

Ignore APTC Estimates - We agree. There is significant uncertainty regarding these estimates. As demonstrated by the history of the ACA specifically (number of people enrolled in exchange coverage), and health care estimates generally (e.g. estimated cost of Medicare), estimates are often far off. The estimated costs should not be a determining factor in the decision to extend the availability and duration of STLD policies. The determining factors should be 1) the underlying constitutional freedoms that are being violated by the rule that currently limits access and by the ACA's restrictions on customized and affordable coverage; and 2) the financial and lack-of-coverage harms suffered by the American people who cannot afford the unaffordable coverage they are currently mandated to buy under the ACA.

As the proposed rule accurately notes, *“While individuals who qualify for premium tax credits are largely insulated from significant premium increases, individuals who are not eligible for subsidies are harmed by increased premiums in the individual market due to a lack of other, more affordable alternative coverage options. The proposed rule would increase insurance options for individuals unable or unwilling to purchase PPACA-compliant plans.”*

Value of Excluded Services is a Moot Question - Choice is the American way. Individuals can choose policies with or without the excluded services. As the rule notes, more people are expected to buy these policies, therefore, the policies have value to the people who choose to buy them even without those services. People who want the services excluded in the STLD can choose to pay Obamacare-priced premiums to get them. If they cannot afford those policies it does not matter what they want. They will not be able to get the excluded services. The STLD policies, extended for 12 months or longer, should be a choice for the American people who are desperately in need of at least some form of affordable coverage.

Don't Limit Access to Save Single-Risk Pools - The Affordable Care Act is the cause of the concern that STLD policies could “potentially weaken States' individual market single risk pools.” Thirty-five states had their own high-risk pools before the ACA. The ACA single-risk pools are a redistribution mechanism that should be eliminated, not protected.

The ACA single risk pools were created to spread the cost of covering people with uninsurable (“preexisting”) conditions unto the young and healthy. Since the U.S. Supreme Court found mandate to be unconstitutional -- no one can be forced to buy health insurance -- and many young and healthy people wisely refused to buy the resulting unaffordable

coverage, states now face the financial realities of providing guaranteed issue for people with uninsurable conditions.

As in Iowa and Idaho, states must begin using their 10<sup>th</sup> Amendment/State's Rights power to alleviate the unaffordable disaster imposed by the ACA.

STLD Policies are Closer to REAL Insurance - The ACA mandates an expensive product that is not real health insurance. The ACA's minimum essential coverage with a guaranteed issue mandate is primarily a wage redistribution system to force Americans to cover the cost of people with *uninsurable* conditions.

STLD policies can help relieve the pressure Americans are now under as they stand caught between a desire for protective coverage and a desire not to have their hard-earned wages confiscated by the ACA and sent to health plans with very healthy bottom lines (profits).

*True insurance that covers the cost of catastrophic medical conditions that enrollees do not have and hope to never experience is affordable, because those conditions are actuarially rare.*

Options to Alleviate the Problem Long-Term - The federal agencies offering this proposed rule should consider long-term strategies to *end* the uninsurable ("pre-existing condition") problem. Ideas include encouraging the sale and purchase of *pre-birth* health insurance. Parents could buy this coverage before their child is born and hand it off to them at the age of maturity. This would allow Americans to move into lifelong, portable, affordable, true insurance (indemnity) policies that do not end by aging out of a family policy or losing employer-sponsored coverage. Developing methods to allow Medicare recipients and all Americans to keep private insurance to the end of their lives should also be considered, starting by delinking Social Security Retirement Benefits from Medicare enrollment.

Even if Congress never repeals the ACA, we appreciate the Trump administration working to keep free-market affordable coverage options—escape hatches—viable into the future.

Thank you for the opportunity to provide these public comments on this very important proposal to provide Americans affordability of coverage for medical expenses.

Sincerely,

Twila Brase, RN, PHN  
President and Co-founder