

Harold P. Wimmer
National President and
CEO

April 23, 2018

Honorable Alex Azar
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC

Mr. David Kautter
Acting Commissioner, Internal Revenue Service
Department of the Treasury
1111 Constitution Avenue, NW
Washington, DC 20224

Mr. Preston Rutledge
Assistant Secretary, Employee Benefits Security Administration
Department of Labor
200 Constitution Avenue, NW
Washington, DC 2021

Re: Short-Term, Limited-Duration Insurance Proposed Rule (CMS-9924-P)

Dear Secretary Azar, Acting Commissioner Kautter, and Assistant Secretary Rutledge:

The American Lung Association appreciates the opportunity to submit comments on the proposed rule: Short-Term, Limited Duration Insurance (CMS-9924-P). The following comments are intended to supplement the longer set of comments submitted with our public health partners.

The American Lung Association is the oldest voluntary public health association in the United States, currently representing the 33 million Americans living with lung diseases including asthma, lung cancer and COPD. As such, the Lung Association is uniquely positioned to comment on the impact this proposed rule will have on lung disease patients.

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In March 2017, the Lung Association committed to a set of healthcare principles (see Appendix A). The principles state that any changes to the healthcare system must achieve healthcare that is affordable, accessible and adequate for patients. Unfortunately, the proposed rule regarding the extension of Short-Term, Limited Duration Insurance (STLD) from 3 months to 364 days would jeopardize affordable, accessible and adequate healthcare for lung disease patients. These short-term plans do not include any patient protections, including limiting cost-sharing, network adequacy and the coverage of the essential health benefits. This rule does not protect patients, and the Lung Association therefore urges the Departments to withdraw this proposed rule.

Impact on Lung Disease Patients

Short-term plans that are currently on the market do not offer sufficient healthcare coverage to adequately manage lung disease. Current lung disease patients, including kids with asthma, lung cancer survivors and patients with COPD, would be rejected for coverage by one of these plans, instead paying more for the comprehensive care they need in order to access physicians, medications, and other treatments and services to stay healthy and manage their conditions. For individuals who buy a short-term plan and then receive a new lung disease diagnosis, coverage for their disease could be rescinded, leaving them without any coverage options until the open enrollment period for the ACA's individual marketplaces comes around. Lung disease does not pay attention to a calendar. Patients need access to treatment to be able to breathe.

Additionally, these plans will segment the market. In the proposed rule, the Departments acknowledge younger, healthier individuals will likely choose these plans, dividing the individual marketplace risk pool. That will result in a spike in premiums for comprehensive plans sold in the marketplace and potentially lead issuers to leave the market. The marketplace plans, which offer comprehensive coverage, are the only ones that will cover the treatments and services that lung disease patients need.

Preventive Services

Short-term plans do not have any requirements on the services they are required to provide and therefore do not offer the services that lung disease patients need. The Lung Association has long supported access to preventive services. For example, smoking is the leading cause of preventable death and disease in the United States. Requiring plans to cover smoking cessation saves both lives and money. Similarly, lung cancer screenings for people at high-risk for lung cancer allow the disease to be discovered earlier, at a more treatable stage. Yet short-term plans are not required to cover these or other preventive services that are essential to reduce lung disease in the United States. Many current three-month short-term plans on the market today do not cover these services¹. Preventive services, such as tobacco cessation and lung cancer screening save both lives and money.



Extending the duration of short terms plans beyond three months will not advance the health of lung disease patients or stabilize the United States' healthcare market. It is a reckless course of action that will negatively impact patients around the country. The American Lung Association again urges the Departments of Health and Human Services, Labor and Treasury to rescind the proposed rule.

Sincerely,

A handwritten signature in black ink that reads "Harold Wimmer". The signature is written in a cursive, flowing style.

Harold P. Wimmer
National President and CEO

CC: The Honorable Seema Verma,
Administrator, The Centers for Medicare and Medicaid Services

¹ <https://www.uhone.com/insurance/short-term/short-term-medical-insurance-faqs>



Appendix A



Consensus Healthcare Reform Principles

Today, millions of individuals, including many with preexisting health conditions, can obtain affordable health care coverage. Any changes to current law should preserve coverage for these individuals, extend coverage to those who remain uninsured, and lower costs and improve quality for all.

In addition, any reform measure must support a health care system that provides affordable, accessible and adequate health care coverage and preserves the coverage provided to millions through Medicare and Medicaid. The basic elements of meaningful coverage are described below.

Health Insurance Must be Affordable – Affordable plans ensure patients are able to access needed care in a timely manner from an experienced provider without undue financial burden. Affordable coverage includes reasonable premiums and cost sharing (such as deductibles, copays and coinsurance) and limits on out-of-pocket expenses. Adequate financial assistance

must be available for low-income Americans and individuals with preexisting conditions should not be subject to increased premium costs based on their disease or health status.

Health Insurance Must be Accessible – All people, regardless of employment status or geographic location, should be able to gain coverage without waiting periods through adequate open and special enrollment periods. Patient protections in current law should be retained, including prohibitions on preexisting condition exclusions, annual and lifetime limits, insurance policy rescissions, gender pricing and excessive premiums for older adults. Children should be allowed to remain on their parents' health plans until age 26 and coverage through Medicare and Medicaid should not be jeopardized through excessive cost-shifting, funding cuts, or per capita caps or block granting.

Health Insurance Must be Adequate and Understandable – All plans should be required to cover a full range of needed health benefits with a comprehensive and stable network of providers and plan features. Guaranteed access to and prioritization of preventive services without cost-sharing should be preserved. Information regarding costs and coverage must be available, transparent, and understandable to the consumer prior to purchasing the plan.