



May 15, 2019

The Honorable Kathy Castor
 U. S. House of Representatives
 2052 Rayburn House Office Building
 Washington, DC 20515

Dear Representative Castor:

The 23 undersigned organizations, representing millions of American patients, providers, and consumers, write today in strong support of H.R. 1010, *To provide that the rule entitled "Short-Term, Limited Duration Insurance" shall have no force or effect,* which is now included in H.R.987. Our organizations strongly support providing protections for patients from short-term, limited-duration (STLTI or short-term) plans and support preventing action on implementing or enforcing the "Short-Term, Limited-Duration Insurance" final rule (83 FR 38212, published August 3, 2018).

Our organizations remain concerned about this final rule which expands the maximum duration of short-term health insurance plans from three months to 364 days. Previously, short term plans were available to fill a temporary gap in coverage, such as gaps in employment. However, since the rule was finalized, the growth and availability of these products continues to threaten patients with pre-existing conditions because insurers offering these policies can either deny coverage or charge higher premiums to individuals with pre-existing conditions. Expanding access to these policies could cause premiums in the marketplace to increase, as younger and healthier individuals choose to enroll in the short-term plans. This forces individuals with serious or chronic conditions into a smaller, sicker risk pool to obtain

the coverage they need to manage their health. Premiums for these comprehensive plans would likely skyrocket, making insurance unaffordable.

Short-term plans also lack patient protections guaranteed by the Affordable Care Act (ACA), severely impacting individuals with serious or chronic health conditions. Plan providers are permitted to consider pre-existing conditions in decisions to deny coverage, charge higher premiums, or not cover certain care and treatments. After enrolling in a short-term plan, providers are permitted to rescind or amend coverage based on new health issues. Short-term plans are not required to cover all of the Essential Health Benefits (EHBs) categories outlined in the ACA, potentially forcing individuals to pay out-of-pocket for expensive treatments. These plans can also impose lifetime and annual limits on coverage and do not require limits on out-of-pocket expenses and deductibles.

H.R. 1010 would both protect patients and consumers from substandard insurance products and assist in stabilizing the marketplace. The decreased up-front costs of short-term plans may be more appealing to younger, healthier individuals, thus, dividing the individual marketplace risk pool. Segmenting the market in this way will result in increased premiums for comprehensive ACA-compliant plans in the marketplace, decreasing marketplace stability, and reducing affordable access to insurance.

It is for these reasons we enthusiastically endorse your legislation and urge Congress to act swiftly to limit the sale of short-term insurance plans. People with pre-existing conditions need access to adequate, affordable health insurance. Again, our organizations thank you for your leadership on this critical issue for people with pre-existing conditions, and we support your efforts to expand access to affordable health insurance.

Sincerely,

American Cancer Society Cancer Action Network
American Heart Association
American Lung Association
Arthritis Foundation
Cystic Fibrosis Foundation
Epilepsy Foundation
Hemophilia Federation of America
Leukemia & Lymphoma Society
Lutheran Services in America
March of Dimes
Mended Little Hearts
Muscular Dystrophy Association
National Alliance on Mental Illness
National Coalition for Cancer Survivorship
National Health Council
National Hemophilia Foundation
National Multiple Sclerosis Society
National Organization for Rare Disorders
National Patient Advocate Foundation
National Psoriasis Foundation
Susan G. Komen
The ALS Association
WomenHeart: The National Coalition for Women with Heart Disease