



**American  
Heart  
Association.**

*Chairman of the Board*

Bertram L. Scott

*President*

Robert A. Harrington, MD, FAHA

*Chairman-elect*

Raymond P. Vara, Jr.

*President-elect*

Mitchell S. V. Elkind, MD, MS, FAHA

*Immediate Past Chairman*

James J. Postl

*Immediate Past President*

Ivor J. Benjamin, MD, FAHA

*Treasurer*

Marsha Jones

*Directors*

Mary Ann Bauman, MD

Regina M. Benjamin, MD, MBA

Douglas S. Boyle

Keith Churchwell, MD, FAHA

Shawn A. Dennis

Linda Gooden

Ron W. Haddock

Joseph Loscalzo, MD, PhD, FAHA

Ileana Piña, MD, FAHA

Marcella Roberts, Esq.

Lee Schwamm, MD, FAHA

Svati Shah, MD, MS, MHS, FAHA

Lee Shapiro

David A. Spina

Bernard J. Tyson

Thomas Pina Windsor

Joseph C. Wu, MD, PhD, FAHA

*Chief Executive Officer*

Nancy A. Brown

*Chief Operating Officer*

Suzie Upton

*Chief Science and Medical Officer*

Mariell Jessup, MD, FAHA

*Chief Administrative Officer and*

*Corporate Secretary*

Larry D. Cannon

July 30, 2019

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

Honorable Steven Mnuchin  
Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Re: Montana Section 1332 Waiver Application

Dear Secretary Azar and Secretary Mnuchin:

On behalf of the American Heart Association and the American Stroke Association (AHA/ASA), we would like to thank you for the opportunity to provide written comments on Montana's Section 1332 State Innovation Waiver application.

As the nation's oldest and largest voluntary organization dedicated to building healthier lives free from heart disease and stroke, our nonprofit and nonpartisan organization represents over 100 million patients with cardiovascular disease (CVD) and includes over 40 million volunteers and supporters committed to our goal of improving the cardiovascular health of all Americans. AHA has worked diligently for many years to support and advance strong public health policies in addition to providing critical tools and information to providers, patients, and families in order to prevent and treat these deadly diseases.

The AHA believes everyone should have quality and affordable healthcare coverage and a strong, robust marketplace is essential for people with CVD to access the coverage that they need. To that end, a well-designed reinsurance program can help offset the costs of enrollees with expensive health care needs. Additionally, implementing a reinsurance program could also help to alleviate other systemic problems within the state insurance exchange including smaller provider networks and low issuer participation. The AHA would like to express our support for the proposal.

As you are aware, reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year. In Minnesota, a state already implementing a reinsurance program through a 1332 waiver approved last year, insurers filed proposed rates for 2019 that were between 3 and 12.4 percent below 2018 premiums. We are pleased to see that Montana estimates that the program will reduce premiums by 8 percent and increase the number of people able to obtain coverage through the individual market in 2020. We encourage the state and the legislature to examine additional opportunities to extend this waiver beyond 2 years to ensure that coverage in Colorado remains within reach for consumers and people with pre-existing conditions who rely on the marketplaces to purchase their insurance.

The AHA is also pleased that the comprehensiveness and affordability of coverage offered on the individual markets will not be altered by the 1332 waiver proposal. The patient protections extended to individuals with pre-existing conditions under the Affordable Care Act (ACA) including the ten essential health benefit categories, guaranteed issue, out of pocket maximums and many other critical consumer protections are the bedrock of care for our patients. The guarantees and protections enshrined in the ACA make our healthcare system navigable for CVD patients and we commend the state for ensuring that the waiver proposal does not alter the integrity of these requirements. In addition to a strong reinsurance program, we appreciate the steps the state has taken to limit access to non-compliant plans to protect consumers and limit unnecessary premium spikes.

On behalf of the American Heart Association and American Stroke Association, thank you for reviewing our comments. We appreciate the opportunity to provide feedback on this application. If you have any questions, please contact me at [katie.berge@heart.org](mailto:katie.berge@heart.org).

Sincerely,

Kathryn Berge  
Federal Government Relations Manager



via electronic submission

July 26, 2019

Seema Verma  
Administrator  
Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services 7500  
Security Boulevard  
Baltimore, MD 21244

**Re: Montana's Section 1332 Waiver Comments**

Dear Administrator Verma:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the Montana's Section 1332 waiver proposal. ACS CAN is making cancer a top priority for public officials and candidates at the federal, state and local levels. ACS CAN empowers advocates across the country to make their voices heard and influence evidence-based public policy change as well as legislative and regulatory solutions that will reduce the cancer burden. As the American Cancer Society's nonprofit, nonpartisan advocacy affiliate, ACS CAN is critical to the fight for a world without cancer.

ACS CAN supports a robust marketplace from which consumers can choose a health plan that best meets their needs. Access to health care coverage is paramount for persons with cancer and survivors. Research from the American Cancer Society has shown that uninsured Americans are less likely to get screened for cancer and thus are more likely to have their cancer diagnosed at an advanced stage when survival is less likely and the cost of care more expensive.<sup>1</sup> In the United States, more than 1.7 million Americans will be diagnosed with cancer this year – an estimated 5,920 in Montana.<sup>2</sup> An additional 15.5 million Americans are living with a history of cancer – 59,970 in Montana.<sup>3</sup> For these Americans access to affordable health insurance is a matter of life or death.

ACS CAN supports Montana's proposed reinsurance program. A well-designed reinsurance program can help to lower premiums and mitigate plan risk associated with high-cost enrollees. We note that the state expects the reinsurance program will reduce premiums by 6.4 to 9

---

<sup>1</sup> E Ward et al, "Association of Insurance with Cancer Care Utilization and Outcomes, *CA: A Cancer Journal for Clinicians* 58:1 (Jan./Feb. 2008), <http://www.cancer.org/cancer/news/report-links-health-insurance-status-with-cancer-care>.

<sup>2</sup> American Cancer Society. *Cancer Facts & Figures: 2019*. Atlanta: American Cancer Society, 2019.

<sup>3</sup> American Cancer Society. *Cancer Treatment & Survivorship: Facts & Figures 2019-2021*. Atlanta: American Cancer Society, 2019.

percent in plan year 2020.<sup>4</sup> These savings could reduce federal government subsidy payments, and lower premiums for consumers not eligible for subsidies who enroll in coverage through the exchange.

A reinsurance program may encourage insurance carriers to continue offering plans through the exchange or begin to offer plans. The expected maintenance or increase in plan competition due to the reinsurance program also may help to keep premiums from rising.

These premium savings could help cancer patients and survivors afford health insurance coverage and may allow some individuals to enroll who previously could not afford coverage. The Department estimates that enrollment in the individual market will increase 1 percent in the first and subsequent years because of the reinsurance program.<sup>5</sup>

We are pleased that the proposal states the waiver “would not affect any other provision of the Affordable Care Act,” which means coverage offered through the marketplace will remain comprehensive and affordable. ACS CAN believes that patient protections in current law – like the prohibition on pre-existing condition exclusions, prohibition on lifetime and annual limits, and Essential Health Benefits requirements – are crucial to making the healthcare system work for cancer patients and survivors.

### Conclusion

On behalf of the American Cancer Society Cancer Action Network, we thank you for the opportunity to comment on the proposed section 1332 waiver, which we believe will provide long-term viability of the individual market while not eroding important consumer protections. If you have any questions, please feel free to contact Jennifer Singleterry, Senior Policy Analyst at [Jennifer.Singleterry@cancer.org](mailto:Jennifer.Singleterry@cancer.org) or 202-585-3233.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kirsten Sloan", is written over a light yellow rectangular background.

Kirsten Sloan  
Vice President, Public Policy  
American Cancer Society Cancer Action Network

---

<sup>4</sup> State of Montana. 1332 Waiver Application. June 19, 2019.

[http://reinsurance.mt.gov/Portals/212/MT%201332%20Waiver%20Application\\_FINAL2.pdf](http://reinsurance.mt.gov/Portals/212/MT%201332%20Waiver%20Application_FINAL2.pdf) <sup>5</sup> Ibid.



July 30, 2019

The Honorable Alex  
Azar Secretary  
U.S. Department of Health and Human  
Services 200 Independence Avenue, SW  
Washington, DC 20201

Re: Montana Section 1332 State Innovation

Waiver Dear Secretary Azar:

On behalf of people with cystic fibrosis, the Cystic Fibrosis Foundation appreciates the opportunity to support Montana's 1332 State Innovation Waiver application to operate a reinsurance program.

Cystic fibrosis (CF) is a life-threatening genetic disease that affects 120 people in Montana and 30,000 children and adults in the United States. CF causes the body to produce thick, sticky mucus that clogs the lungs and digestive system, which can lead to life-threatening infections. As a complex, multi-system condition, CF requires targeted, specialized treatment and medications.

People with CF benefit from insurance marketplaces that offer affordable health plans that cover their complex health needs. The Cystic Fibrosis Foundation supports Montana's creation of a reinsurance program that will make coverage more affordable and expand plan choice by encouraging insurer participation in the marketplace.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high cost enrollees, which in turn keeps premiums affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year.<sup>1</sup> A recent analysis by Avalere of the seven states that have created their own reinsurance programs through Section 1332 waivers found that these states reduced individual market premiums by an average of 19.9 percent in their first year.<sup>2</sup> Additionally, after Minnesota received approval to implement its reinsurance program, insurers proposed rates for 2019 that were between 3 and 12.4 percent below 2018 premiums.<sup>3</sup>

The Cystic Fibrosis Foundation appreciates the opportunity to provide input on these important policy changes. As the health landscape continues to evolve, we look forward to working with the state of Montana to ensure high quality, specialized CF care and improve the lives of all with cystic fibrosis. Please consider us a resource moving forward.

Sincerely,

**Mary B. Dwight**  
Senior VP of Policy & Patient Assistance  
Programs Cystic Fibrosis Foundation

**Lisa B. Feng, DrPH**  
Senior Director of Access Policy &  
Innovation Cystic Fibrosis Foundation

---

<sup>1</sup>American Academy of Actuaries. Drivers of 2015 Health Insurance Premium Changes. (Online). June 2014. Available:

[https://www.actuary.org/files/2015\\_Premiums\\_Drivers\\_Updated\\_060414.pdf](https://www.actuary.org/files/2015_Premiums_Drivers_Updated_060414.pdf)

<sup>2</sup>Avalere. State-Run Reinsurance Programs Reduce ACA Premiums by 19.9% on Average. March 2019. Retrieved from <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-19-9-on-average>.

<sup>3</sup>Minnesota Department of Commerce. Insurers' 2019 Proposed Health Insurance Rate. (Online). June 2018. Available: <https://mn.gov/commerce/consumers/yourinsurance/health-insurance/rates/rate-filings/2019>.



July 30, 2019

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

Honorable Steven Mnuchin  
Secretary  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Re: Montana Section 1332 Waiver Application

Dear Secretary Azar and Secretary Mnuchin:

Thank you for the opportunity to submit comments on Montana's Section 1332 State Innovation Waiver Application.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions across the country. Our organizations have a unique perspective on what patients need to prevent disease, cure illness and manage chronic health conditions. The diversity of our groups and the patients and consumers we represent enables us to draw upon a wealth of knowledge and expertise and serve as an invaluable resource regarding any decisions affecting state health insurance marketplaces and the patients that they serve. We urge the Departments to make the best use of the recommendations, knowledge and experience our organizations offer here.

Our organizations are committed to ensuring that any changes to the healthcare system achieve coverage that is adequate, affordable and accessible for patients. A strong, robust marketplace is essential for people with serious, acute and chronic health conditions to access comprehensive coverage that includes all of the treatments and services that they need to stay healthy at an affordable cost. Our organizations support Montana's efforts to strengthen its marketplace by submitting this application to implement a reinsurance program, and we urge the Departments to approve the application.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high cost enrollees, which in turn keeps premiums

affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year.<sup>1</sup> A recent analysis by Avalere of the seven states that have already created their own reinsurance programs through Section 1332 waivers found that these states reduced individual market premiums by an average of 19.9 percent in their first year.<sup>2</sup>

Montana's proposal will create a reinsurance program starting for the 2020 plan year and continuing for five years. Based on the initial analysis commissioned by the state, this program is projected to reduce premiums by 8 percent in 2020 and increase the number of individuals obtaining health insurance through the individual market by approximately one percent in 2020 and each future year of the program. This would help patients with pre-existing conditions, including patients with chronic conditions, obtain affordable, comprehensive coverage.

As states consider different ways to stabilize their marketplaces, our organizations are pleased that Montana has submitted an application that is projected to improve coverage and affordability without compromising access to essential health benefits or jeopardizing other important protections that our patients rely on. We believe that this 1332 Waiver Application will help stabilize the individual market in Montana and protect patients and consumers. Thank you for the opportunity to provide comments.

Sincerely,

American Heart Association  
American Lung Association  
Arthritis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
Leukemia and Lymphoma Society  
National Hemophilia Foundation  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Psoriasis Foundation

---

<sup>1</sup>American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from [https://www.actuary.org/files/publications/Acad\\_eval\\_indiv\\_mkt\\_011817.pdf](https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf).

<sup>2</sup>Avalere. *State-Run Reinsurance Programs Reduce ACA Premiums by 19.9% on Average*. March 2019. Retrieved from <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-19-9-on-average>.