

From: Ther
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 20, 2017 8:01:09 AM

To whom it may concern,

As a citizen of Pottawattamie County in Iowa, my options for continued health insurance coverage will effectively end December 31st of 2017 if the Iowa Stopgap measure is not approved. The rates that will be charged by the only insurer left in the marketplace will be prohibitively too high. My only options will be to move out of Iowa to a state with affordable options, or not have health insurance. Neither of these options are acceptable to me. I urge you to approve the measure and allow Iowan's such as us, the ability to remain in our state and maintain affordable coverage for our families.

Thank-You, David Wood

From: Brandon Rude
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 10:08:40 AM

To Whom it May Concern,

I am writing to express my support of the current Iowa Stopgap Measure. I am a licensed insurance agent in the State of Iowa and have been for 10 years. I have several clients enrolled in ACA compliant policies both on and off Health Insurance Marketplace. Under the current environment, and if the Stopgap Measure is not approved, it will have a devastating impact on both my clients and many other policyholders in our State. I have been assured by several currently-enrolled clients that they will simply drop their coverage and accept the ACA Minimum Essential Coverage penalty if the Stopgap Measure fails.

Any clients who have chronic health conditions and are compelled to continue their policies with Medica, will see their premiums increase to life-changing amounts. Some older clients will see annual premium increases of around \$5000-\$6000 dollars.

The effect and consequences of the ACA aside, this Stopgap measure is necessary to simply continue any kind of health insurance market in the State of Iowa. While only a short term measure, it is vital to temporarily stabilize an imploding situation.

I again express my support.....

Brandon C. Rude
Rude's Investment & Insurance Center
Office: 563-382-8949
www.RudesInvestment.com

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From: NEIL Wilkinson
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 11:11:28 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)

I, Neil K. Wilkinson, (nwilkinson@fdg.net) am supporting the approval of the Iowa Stopgap Measure as I believe it is a good first step in the right direction.

Thanks,



Neil K. Wilkinson MSFS, ChFC, CLU
Investment Adviser Representative

903 N. Frederick Ave
Oelwein, IA 50662
(319)283-1514 office
(319)440-2868 cell
(319)283-1557 fax
nwilkinson@fdg.net



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From: Lanny N Kuehl
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 11:13:11 AM

We support the 'Iowa Stopgap Measure', and encourage the swift approval by the administration after the federal comment period closes.

Lanny Kuehl New York Life @ lkuehl@ft.nyl.com

Lanny N Kuehl,CLU,ChFC,LUTCF,CLTC

Financial Services Professional
Agent, New York Life Insurance Company
Registered Representative offering securities through NYLIFE Securities LLC (member FINRA/SIPC),
A Licensed Insurance Agency
106 N Main Street / PO Box 549
Garnavillo, IA 52049
Office: 563-964-2467 Cell 563-880-8945
Fax: 563-964-2045

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New York Life Insurance Company, 51 Madison Ave. New York, NY 10010

From: Ken Stotmeister
To: [CMS StateInnovationWaivers](#)
Subject: Iowa StopGap Measure
Date: Wednesday, September 20, 2017 11:18:32 AM

Finally! I am so pleased that the Iowa Insurance Department has stepped forward with a means to assure that our clients have coverage for 2018.

Thanks
Ken

Ken Stotmeister, CLU
kenstot@gmail.com
563-349-9160

From: Tressa Walton
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Wavier Comments
Date: Wednesday, September 20, 2017 11:28:59 AM

Please help this measure go through. As an insurance agent who represents both sides- this needs to pass. I understand the insurance companies are struggling with the large claims, however, families can NOT afford the current prices. There is nothing affordable about healthcare in Iowa. Please allow them to have other options!
Thank you for your time!

Tressa Walton, CISR, CPIA



Wilson-Hite Insurance
301 C Ave
Vinton, IA 52349
319-472-2379
tressa@wilsonhite.com

From: Polly Smith
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 12:05:32 PM

Hello:

I support and encourage you to as well. The Stop Gap is an important bridge for folks reliant on this coverage in the interim of the decision of how health insurance will be made available to them during this period of grid lock.

Thank you for you consideration and support.

*Polly Smith, LUTCF
Tower Financial
4621 Cheyenne Ave.
Davenport, Iowa
52806
Ph: (563)508-4099
Fax: (563) 823-6036*

The highest compliment I can receive is a referral from a friend. I am very appreciative when existing clients refer friends, family and business associates. I will do my very best to meet your highest expectations.

From: bbinsures@gmail.com
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 1:01:39 PM

The State of Iowa has proposed a one-year emergency program for individuals and families who may not have access to health insurance in 2018.

Iowa's Stopgap Measure will provide a health insurance option for Iowans in the individual health insurance market.

Important components of the Stopgap Measure:

1. Financial assistance for everyone based on age and income
2. The same essential health benefits provided under the Affordable Care Act
3. Availability of Health Insurance to Individuals that do not have access to group plans and unable to afford the premium increases.

This Stopgap Measure is extremely important to individuals living in Iowa and should be implemented immediately.

Brian Bolton

515-205-1473

bbinsures@gmail.com

www.bfgpro.com

www.linkedin.com/pub/brian-bolton/28/601/370/

From: Todd Cooper
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 1:34:44 PM

This email is to show support for the purposed Stopgap Measure for the State of Iowa. We are in desperate need of individual health insurance options for 2018. This measure would provide a good option for the residents of Iowa for at least one year.

Todd B. Cooper
Encompass Financial
P.O. Box 487
Aplington, IA 50604
Ph. (319)269-1385
Email: Encompass44@yahoo.com

From: Shelly Prybil
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 1:34:45 PM

I am a Financial Advisor and I would with many clients who will be without or unable to afford Health Insurance in 2018 if something doesn't get put into place for them and for my family.

My husband and I are both self-employed so neither of us have a group option for health insurance and without the Stopgap Measure options are going to be very limited and very costly.

Please put into place this Stopgap coverage to give all of us a way of continuing to have health insurance coverage for 2018.

Thank you,
Michell Prybil
sprybil@gmail.com

From: Michael E. Diers
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 1:35:31 PM

I would ask for your support in Iowa Stopgap measure. Although it isn't the permanent fix, we need to make sure to have something in place for those who are losing their coverage. Then hopefully Congress can work together to get a permanent solution figure out.

Sincerely,

Michael E. Diers, CFP
Ameritas Investment Corporation
miked@hawkeyebrokerage.com

From: Bob Saunders
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 20, 2017 3:12:51 PM

I urge you to support the Iowa Stopgap efforts. Although I personally do not sell health insurance I am receiving almost daily inquiries from our insurance customers hoping that we can answer the many questions and concerns about what is happening in this market. These folks are sincerely concerned about their ability to secure and then pay for health care. It is really pretty sad that the greatest nation on earth is struggling to provide quality health care to its citizens.

Thank you for your consideration.

Bob Saunders

Insurance Associates of Iowa City | PO Box 150 | Iowa City, IA 52244

Tel (319) 338-1135 ext 3460 | Fax (319) 248-0112

bsaunders@insuranceic.com

www.insuranceic.com

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From: diane@wctatel.net
To: [CMS StateInnovationWaivers](#)
Subject: Iowa StopGate Code
Date: Wednesday, September 20, 2017 4:10:33 PM

Please support the Iowa StopGate Code. We need health insurance in Iowa....We will only have one carrier for Individual Insurance for 2018 without this being approved. We need lower premiums and more carriers!! Please help us out on this issue!!

Thank you for your support!!

Diane Anderson
103 Franke Street
Joice, IA 50446 641-588-3537

From: Steve Sawyer
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 20, 2017 4:04:07 PM

I am happy to see Iowa moving forward with health care measures as our federal government wallows. Proud of our state!

Steve Sawyer
Lenox IA

From: Larry Murray
To: [CMS StateInnovationWaivers](#)
Subject: FW: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 20, 2017 4:20:05 PM

From: Larry Murray
Sent: Wednesday, September 20, 2017 1:56 PM
To: stateinnovationwaiver@cms.hhs.gov
Cc: Larry Murray <lmurray@myclte.com>
Subject: Iowa Section 1332 Waiver Comments

To: Seema Verma
Randy Pate

Re: Iowa's request for ACA Waiver

With a long standing career in employee benefits, I find this proposal to be one of the more sound measures put forth regarding the cost of health insurance.

Many things impact the cost of health care – more than can be addressed in this legislation. However, this particular proposal addresses the cost of **Insurance**.

In this regard,

Although the details of the proposal are largely lacking from the Omaha World Herald article, the principles sound admirable.

- Health Insurance needs to be subsidized for those unable to pay their full share. (Better to have them pay something than to have them go without.)
- The cost of Large Claims need to “socialized”; pooled under a State or Federally funded stop-loss plan. (This limits the financial exposure picked up by the insurance plan and lowers the overall premium charge.)

Further, I would fully support an increase in the payroll (Medicare) tax if it was used solely to support the subsidies mentioned above. At least to some extent, the cost of universal coverage would be borne by those able and willing to work so that all can be covered.

We already have a national policy (and law) that mandates that everyone be treated/stabilized at the hospital – we might as well codify the payments associated with these principles. The upside – the providers get paid for their services and the cost is not pushed onto those that have insurance. Hospitals, like those of the inner-city and those in the smaller communities that treat a large number of indigent or Medicaid/Medicare patients, would be on better financial footing. Physicians would

know that they are getting paid for their services and again they would not be forced to allocating their overhead charges to only those that care “good” insurance.

I am often bewildered as I listen to our politicians talk about the ACA program; not knowing if they are attacking the insurance industry or the health care market place. At their core, insurance companies simply process claims. Most people are covered under self-funded plans sponsored by their employer. These company plans have been carrying the cost of those not covered (and those covered under the government’s plan) for too long.

Thank you for your attention to this matter.

Larry Murray, CEBS

September 20, 2017

Seema Verma
Randy Pete
StateInnovationWaivers@cmshhs.gov

Re: Iowa Section 1332 Waiver Comments

Enclosed are my comments to the Iowa Insurance Commission supporting the Insurance Commission's "stopgap" measure. This incorporates letters which I sent to both of Iowa's Senators. We are very much supportive of the Section 1332 Waiver.

A handwritten signature in black ink, appearing to read 'Bryan Arneson', with a stylized flourish at the end.

Bryan Arneson
13 Red Fox Run
Sioux City, IA 51104
712-898-7184
barneson@maynelaw.com

July 18, 2017

Iowa Insurance Division
601 Locust Street 4th Avenue
Des Moines, IA 50309

Attn: Public Comments

Gentlemen:

I read in the Omaha World Herald that the Division of Insurance is taking public comments concerning the proposed "stopgap" plan for individual health insurance.

I am currently covered under a non-subsidized ACA plan. This covers my wife and I, age 63 and 62, at a cost of \$1,698.13/month subject to twin \$6,000 deductibles. Our situation is outlined in a letter which I sent to both of our United States Senators which is enclosed. Wellmark has paid very little to providers on our behalf because nearly all of our medical services are paid out of our HSA account as deductible payments under the policy. Wellmark has made a profit on selling us health insurance for a number of years.

The claims of others, however, have apparently made the Iowa ACA market unprofitable for Wellmark. Because I am an insulin dependent diabetic, I am uninsurable on the open market. Without relief, I am faced with the choice of one insurer, Medica, in the Iowa ACA market and only in the event that the Insurance Commission would allow them a 43.5% premium increase. If Medica rates are comparable to Wellmark rates, this would afford us coverage at a premium cost of \$2,436.81 per month subject to twin \$6,000 deductibles. This would amount to exposure to us of \$41,241.72 next year in a situation where the insurer has little or no claim exposure for our policy based upon past history.

As I understand the proposed waiver, one of the aims of the waiver is to create a high risk pool for those persons who are costing the insurers the ability to make a profit, by incurring costs vastly in excess of premiums received thereby allowing the insurer to charge other policyholders, such as myself, a premium more in line with anticipated payouts to the providers. This appears to me to be a reasoned approach which would be fairer to both carriers and policyholders while also taking care of the more sickly members of society.

Page Two

Thank you for your efforts. We are not looking for a “free lunch”, but just a fairly priced one.

Bryan J. Arneson
13 Red Fox Run
Sioux City, IA 51104

712-277-1434

May 23, 2017

Senator Charles Grassley
135 Senate Office Building
Washington, DC 20510
(Fax 202-224-6020)

Senator Joni Ernst
111 Russell Senate Office Building
Washington, DC 20510
(Fax 202-224-9369)

Re: Health Insurance

Dear Senators:

I am a resident of Sioux City having moved here in 1975 to attend law school at the University of Iowa. I have practiced law in Sioux City since 1978. My wife is a lifelong Sioux City resident. We are 63 and 62 years old respectively.

Since our law firm is small, six lawyers, who have various health insurance needs, we disbanded our group health insurance plan several years ago so that each partner could purchase for their own family's needs. We make a payment each month to our staff to assist them in purchasing their own insurance.

My wife and I are currently covered by Wellmark under an ACA compliant plan. We are currently paying \$1,698.13 per month to cover the two of us with twin \$6,000 deductibles. I am an insulin dependent diabetic and my wife had a stent put in several years ago and has been in good health since that time. Because of these pre-existing conditions and our age, we are not likely to qualify for individual coverage on the open market. Although we have these health conditions, I did not reach my deductible until about November of last year and my wife did not reach her deductible at all.

Last year, we spent \$16,608 for health insurance premiums and spent \$9,879.41 from our HSA account for medical services. This year our premiums alone will be \$20,377.56 plus whatever our HSA expenses would be. We are fortunate that we can afford to pay this even though the cost is outrageous. We are now aware that Wellmark is pulling out of the Iowa market at the end of this year and, if Medica pulls out, there will be no market for us to buy insurance in Iowa at any price. We have discussed the option of moving across the border to South Dakota or Nebraska, if needed, to buy coverage, although we have no desire to move from our home where we have lived for 20 years.

Page Two

I am told that I am naïve for believing that our government will not allow us to be in the position that we are currently in. I tell everyone that the Senate is composed of statesmen and that, while a comprehensive health insurance bill is being worked on, something will be done on a bipartisan basis for people in our position. I am increasingly discouraged that this will happen. I would appreciate some reassurance.

Bryan J. Arneson
13 Red Fox Run
Sioux city, IA 51104

Telephone: 712-277-1434

From: Dan Erskine
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Wednesday, September 20, 2017 5:20:48 PM

Please consider approving the Iowa Stopgap Measure. Without it I fear I will have clients with no health insurance in 2018. I recently had 2 different clients wanting to retire late 2017. They wanted to know how much insurance would cost to buy their own. I had to tell them since they are less than 65 years of age that Wellmark would not be participating in the ACA without some concessions.

Dan Erskine

Dan Erskine Insurance Agency, Inc.

PO Box 812

104 2nd St NW

Waverly, IA 50677

Ph. 319-352-5994

Fax 319-352-5997

From: Susan Marolf
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 20, 2017 8:12:29 PM

My name is Susan Kay Marolf.

My email address is susanmarolf@yahoo.com

I am a 64 year old woman needing health insurance coverage for January 2018- August 2018.

My husband Dennis and I have been actively involved in farming for 45 years. Have had Wellmark insurance since 1995. Last year, Dennis went on Medicare. That meant I had to have my own policy. That was in June of 2016. Now I have been informed I will no longer have insurance in 2018, because I have an ACA policy.

So, I desperately need health insurance coverage. If I were not able to obtain coverage and a medical catastrophe happened before I got on Medicare, we could possibly lose our farm we have worked hard for over the past 45 years. This health insurance dilemma is a nightmare that I never dreamed would happen to us.

So, I am begging for help.

Thank you for listening and doing what you can do to help me and the thousands of others in my shoes in Iowa. We hope you approve the Iowa Stopgap measure.

Sincerely

Susan Kay Marolf

[Sent from Yahoo Mail for iPad](#)

From: Brian J Foecke
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Thursday, September 21, 2017 7:13:16 AM

I do not know all of the specifics for this stop gap measure.

However, we need to get this done ASAP, so the citizens of Iowa have health insurance options in 2018.

Thx.
Brian

Brian J. Foecke, LUTCF, CLTC
Financial Services Professional
Agent, New York Life Insurance Company
Registered Representative offering Securities through NYLIFE Securities LLC (member FINRA/SIPC)

215 Jefferson Street
Burlington, Iowa 52601
319-752-5350

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New York Life Insurance Company, 51 Madison Avenue, New York, NY 10010

From: Mark Randall
To: [CMS StateInnovationWaivers](#)
Subject: Iowa section 1132 waiver
Date: Thursday, September 21, 2017 11:41:28 AM

Please approve the Iowa Stopgap Plan to give the Iowans a wider choice than ACA in their health insurance that will be offered in 2018

Mark Randall, AGENT

FDG financial decisions group

319-267-2713 or mrandall@netins.net

From: Kevin D Lindblom
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1132 Waiver Comments
Date: Thursday, September 21, 2017 12:48:40 PM
Attachments: [image005.png](#)
[image006.png](#)

Please approve this measure! It is VERY important and CRUCIAL for my clients to continue to have faith in our health system in Iowa!



Kevin D. Lindblom, CLU, ChFC

Financial Services Professional with Your Vision Financial Group

New York Life Insurance Company

3720 Queen Court SW, Suite #4
Cedar Rapids, Iowa 52404

Office: 319-393-1643

Email: klindblom@ft.newyorklife.com

Fax: 319-393-1837

Website: www.yourvisionfinancialgroup.com



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Your Vision Financial Group, 3720 Queen Court SW, Suite 4, Cedar Rapids, Iowa 52404

From: Nina Kerns
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Thursday, September 21, 2017 3:05:37 PM
Importance: High

I urge any and all decision makers regarding providing Wellmark Insurance to Iowa residents as an option on the open market to purchase to proceed and make this specific insurance available.

I currently have BCBS through COBRA but will no longer have COBRA available January 1, 2018 and I need medical insurance that covers me in other states, ALL of my physicians and hospital I use are in Nebraska, also I travel and must be able to have options in other states. I am extremely healthy with NO preexisting conditions, but currently I have NO OPTIONS to purchase medical insurance on my own that is portable to other states. I am 63 ½ and not eligible for Medicare for another 18 months January 2018. Please move this forward. Thank you.

Nina Kerns
Council Bluffs, IA

From: Elaine Kane
To: [CMS StateInnovationWaivers](#)
Subject: stop gap measure
Date: Thursday, September 21, 2017 5:31:47 PM

Please pass the measure that would help at least for this year to give Iowan's an affordable option for health care. Without it, there will be many without an insurance option, of course you know these things but wanted to put in a word of support. Thank you for your consideration.

Elaine J Kane, Insurance Agent

Peoples Insurance *Where Values Matter*

Phone: 712-551-2952

PO Box 191

Hawarden, IA 51023

elainek@peoples-ebank.com

From: Sheila Drahos
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Thursday, September 21, 2017 10:28:44 PM

Please do not issue a waiver from the Obamacare provisions to the state of Iowa. The ACA law is better in its current form than the stop gap insurance proposed. Iowan's would be worse off.

Republican controlled Iowa government has proven through their handling of medicaid changes this year, that they do not put the health of the insured over the money that they can save. They have given profit to private companies to run medicaid and have hurt many people in our state. With health bills not being paid. Services being cut.

We have an insurance company willing to insure all Iowans through the Obamacare website starting in November. Minnesota based MEDICA. We want to keep the protections and benefits of the ACA law. Where there is a list of what has to be covered. That pre-existing conditions are covered without additional premiums. And that would be the law for at least 2 more years.

I am 63 years old and I need that coverage for 2 more years. Before I can go on Medicare. I am also diabetic and cannot afford to be without insurance; or be charged another \$5,000 because I have diabetes. I want the protections that the law says I have now under ACA. I don't think you should have the legal right to take that away from Iowan's

From: Paula Pringnitz
To: [CMS StateInnovationWaivers](#)
Subject: "Iowa Section 1332 Waiver Comments"
Date: Friday, September 22, 2017 5:20:58 PM

To Whom It My Concern,

Please let the Iowa Stop Gap issue be sent through. I am a 56 year old female living in Iowa and have used the exchange since I was laid off my job in 2015. If it wasn't for this program, I would be with out insurance. I have type II diabetes, several other pre-existing conditions and current going through testing for cancer and hope & pray its all negative. However, I think it would be better for me to have insurance in lieu of going through Medicaid and quitting my job.

Please do something. I work from home and make \$10.00 an hour and cannot afford the premiums. Luckily this year the tax credit I was able to get pays my entire premium monthly, I just pay my dental insurance. I take 10 different medications a day. I want to work but I don't want to have to work 2 or 3 jobs just to pay for health insurance. I have been paying into the government since I was eligible to work at 16 and haven't missed any more than 6 months of work my entire life. The deductible is high but if I have a major issue, I know what I will pay is capped at some point. What if I have cancer? What if I need a hip replacement from the arthritis in my body? It would be nice for the people in the government to walk in my shoes for a while. They should give up what they have for what we all in the "niche" group is going through.

If you want to call me, please do. I don't want to rant and rave but this is so important to all Iowans.

Sincerely,
Paula L Pringnitz
309 Main St/PO Box 343
Anita, IA 50020
Phone : 712.762.3027
ppringnitz@yahoo.com

From: Diane Curtis
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Friday, September 22, 2017 11:06:08 PM

Dear Seema Verma or Randy Pate,

Please continue to push the final approval for the Iowa stopgap measure .Now with another Senate vote to repeal ACA scheduled for next week, it is imperative to the citizens of Iowa that the measure be approved. Many people with preexisting conditions will be in dire straights when the bill leaves it up to the individual states to guarantee coverage. To deny coverage for a preexisting condition is morally wrong and heartless.

I'm very relieved that if the stopgap measure is approved, Wellmark will offer plans along with Medica. My late husband had Wellmark through his work for many years and we were always satisfied with the coverage and customer service. To only have a choice of one insurance company in Iowa with a 53% increase in premiums in 2018,coverage would not be affordable for me and countless other citizens. It would be the first time in my adult life that I would not have health insurance. That is an absolutely terrifying thought!

Thank you for your consideration and allowing us to voice our concerns.

Sincerely,
Diane Curtis
Griswold, Iowa

From: Jeremy Bartlett
To: [CMS StateInnovationWaivers](#)
Subject: Iowa section 1332 waiver comments
Date: Saturday, September 23, 2017 10:19:36 AM

I live in Cedar Falls, Iowa and work for a very small financial firm and I am a big proponent of the proposed Iowa stopgap plan. I make just slightly over 50k, am single, currently have an Obamacare policy and get no premium subsidies for the plan. I am one of the approximately 22,000 people that Iowa insurance commissioner Doug Oman states will fall out of the insurance system if the stopgap is not approved. My current insurance is with Aetna with monthly premium of \$332 a month which is affordable, and I believe under the stopgap it will be about \$400 which is affordable, but if stopgap is declined, the only company offering Obamacare plans next year in Iowa is Medica, and I believe the premium for that plan is between \$700-\$800 which is not affordable and would cause me to fall out of the system. I am a healthy 43 year old, and there is no other place to get health insurance in Iowa as Obamacare has effectively killed the individual health care market in the state. Obamacare was set up so that not more than 10% of your income went to premiums but the hole in the system is when your income is just above the cutoff. For instance at 47k a year, out of pocket premiums are maxed at 9.5% of your income, but if you make 48k a year there is no limit and you would be better off to give back your income. Again I make just over 50k, about 53k and with premium of \$700 a month, this makes healthcare premiums of 16% of my income which is unaffordable. I believe under the stopgap plan premiums would be about 9% of my income which, while still high I can afford and would continue to buy insurance and stay in the market.

Again, I believe there is a hole in the current Obamacare system for people who make just above the cutoff, with the rapidly increasing premiums. I highly recommend the stopgap measure be approved. My name is Jeremy Bartlett and e-mail is jbartlett939@gmail.com.

Thanks,

Jeremy

From: Gaye Lundgren
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Saturday, September 23, 2017 11:46:17 AM

Hello Seema Verma or Randy Pate,

My husband and I are early retirees not yet eligible for Medicare. As our COBRA insurance is expiring in January 2018, we will need to obtain private health care insurance at a reasonable cost. Therefore, we are very much **IN FAVOR** of the Iowa stopgap measure which will assist Wellmark of Iowa to offer such policies.

We are very hopeful that CMS will provide final approval for this Iowa stopgap measure!

Thank you,

Michael J. and Gaye B. Lundgren
PO Box 292
Stanton, IA 51573

From: Doug Lake
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Sunday, September 24, 2017 10:10:32 PM

2211 Timberland Rd
Ames, Iowa 50014
September 24, 2017

Director Seema Verma and Director Randy Pate
Centers for Medicare and Medicaid Services and Center for Consumer Information and Insurance Oversight (CCIIO)
200 Independence Ave SW
Washington DC 20201

Dear Director Verma and Director Pate,

We are disappointed a bipartisan solution to health care has not come to fruition in Washington. However, we strongly advocate for the Iowa Stopgap Measure on behalf of 72,000 Iowans (including our daughter Caroline Lake) who are in jeopardy of losing their health insurance for 2018. My wife and I greatly appreciate CMS providing Commissioner Ommen the Letter of Completeness to allow Iowa to move forward this process.

As you are aware, Iowa Insurance commissioner Doug Ommen, John Forsyth CEO of Wellmark, John Naylor of Medica and other stakeholders worked collaboratively to develop this temporary measure to stabilize the individual insurance market in Iowa. No doubt, you know more about the nuances to alter the finances of the Affordable Care Act than I.

We have read through many of the 110+ public comments written on the [iowa.gov](#) website for the Iowa Stopgap Measure. A few themes emerge. Farming remains the world's original small business and there are thousands of Iowa farmers who rely on the individual insurance marketplace for their health insurance. The cost of health insurance and the cost borne by Iowans continues to rise, as Dr. Price and Director Verma have highlighted in many public Listening Sessions. Many comments highlight federal imposition of the ACA on the states and now federal inaction when the individual market in Iowa and arguably the ACA is failing.

CMS has an opportunity with 1332 waiver applications to work through different opportunities for improvement of the ACA on a state-by-state basis. Please grant Iowa the opportunity to work toward a better healthcare solution by approving Iowa's proposed Stopgap Measure for 2018.

We remain committed to helping in any way we can with healthcare reform in Iowa and nationwide and please know we'll do everything we can to help with this effort.

Thank you,

Doug and Maleia Lake

--

Douglas R. Lake, MD, MRMD (MRSC)
Radiologist, McFarland Clinic, P.C.
1215 Duff Avenue, Ames, IA 50014
Adjunct Clinical Assistant Professor, Department of Radiology, Stanford Health Care
[402-319-4972](tel:402-319-4972) (cell)
[515-663-3337](tel:515-663-3337) (pager)
dlake@mcfarlandclinic.com (professional)
douglakemd@gmail.com (personal)
<http://www.mcfarlandclinic.com/doctors/douglas-r-lake/#.VIIqt4RPOFE>
<https://www.linkedin.com/in/douglakemd>

From: Brian Huinker
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stop Gap
Date: Monday, September 25, 2017 11:37:13 AM

I guess I don't see why the stop gap would work any differently than the current exchange system.. We are doing nothing to curb provider and Rx costs, therefore premiums skyrocket. It's not that complicated.

I thought the premiums were too low on the stop gap plan... does that mean the state of Iowa will serve as the backstop? Or the Feds? Really doesn't matter to me, just more debt for our country.

Thanks,
Brian

My email address has changed to bhuinker@gbp-ins.com. Please update your records!

Brian Huinker

Benefits Consultant

Group Benefit Partners

118 W. Water St., Suite 101, Decorah, IA 52101 | Cell: **(563)380-2580** Ph: **(563)382-2981** |

Direct: **(563)387-9028** | Fax: **(888)519-6533** | Toll Free: **(866)496-3102**

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From: Marcie Strouse
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Monday, September 25, 2017 1:17:40 PM
Attachments: [Medica quote.pdf](#)

Dear Administrator Verma and Director Pate;

I'm writing to let you know that I strongly support this Iowa Stopgap Measure and I'm hopeful that this will be approved for 2018.

I have been an insurance agent for 11 years serving Iowans. This Stopgap gives us a glimmer of hope for our residents into the future. As you know in Iowa our group market takes on the majority of policy holders but there are tens of thousands of people that do not have access to group health insurance that rely solely on the individual market. We have seen the premiums skyrocket and the benefits plummet over the last several years leaving very little true coverage to our clients. We have seen average out of pocket maximums go from \$3000 to \$7000 in this very short time premiums have tripled.

I just this morning quoted a prospect that will be losing group coverage this Fall. I have attached the plan choices with Medica. You can see that the most inexpensive plan for this family of 6 is a Bronze Plan at \$1,424.65 a month with their catastrophic risk for their family at \$14,300 with \$80 office visit copays. Medica has announced that if the Stopgap does not go through for 2018 they will be giving a minimum increase of 57%. That would take this premium up to \$2,236.70. My mortgage for my 4 bedroom house in Des Moines is \$1100. There is something wrong with a system that doubles a mortgage payment with very little coverage. Under the Stopgap's anticipated premiums this same family would get a Silver plan for \$1438 a month. This is still a HUGE number that brought tears to their eyes when I told them but this was an easier number to swallow than that \$2,236.70.

The middle class is stuck in the middle of the ACA and how to fix it. The majority do not qualify for any sort of subsidy through the exchange today but they cannot afford the options that are left for them. The Iowa Stopgap Measure at least helps all Iowans and not just a certain group under a certain income level. The current system we have is not sustainable. We all realize this is just a Band-Aid for 2018 but if this is approved at least it is something better to build from.

I'm more hopeful today than I have been in a long time. The Iowa Stopgap Measure does give some sense of optimism for the future.

If you have any questions, please let me know. I would love the opportunity to share more stories with you so you can see the whole picture.

Thank you!



Marcie Strouse
Benefits Consultant
515-231-5593 Cell



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[Email Quote \(/GetaQuote/Email?redirectTo=Compare\)](#)

	Medica Insure Bronze Copay	Medica Insure Silver Copay	Medica Insure Bronze HSA	Medica Insure Silver HSA
	Monthly Premium \$1,424.65 View Premium Cost Breakdown	Monthly Premium \$1,590.38 View Premium Cost Breakdown	Monthly Premium \$1,375.13 View Premium Cost Breakdown	Monthly Premium \$1,567.96 View Premium Cost Breakdown
Deductible	Per Family: \$13,700	Per Family: \$7,800	Per Family: \$12,800	Per Family: \$3,900
Out-of-Pocket	Per Family: \$14,300	Per Family: \$11,500	Per Family: \$12,800	Per Family: \$11,000
Coverage	50% after deductible	60% after deductible	100% after deductible	60% after deductible
Preventive Care	No cost to you - 100% coverage			
Primary Care Office Visits	\$80 copay - no visit limit	\$30 copay - no visit limit	100% coverage after deductible	60% coverage after deductible
Specialty Care Office Visits	\$150 copay - no visit limit	\$60 copay - no visit limit	100% coverage after deductible	60% coverage after deductible
Convenience Care	\$20 copay - no visit limit	\$20 copay - no visit limit	100% coverage after deductible	60% coverage after deductible
Urgent Care	\$80 copay - no visit limit	\$30 copay - no visit limit	100% coverage after deductible	60% coverage after deductible
Preferred Generic Drugs	\$10 copay	\$5 copay	100% coverage after deductible	60% coverage after deductible
Non-preferred Generic Drugs	\$20 copay	\$10 copay	100% coverage after deductible	60% coverage after deductible
Preferred Brand Drugs	50% coverage after deductible	60% coverage after deductible	100% coverage after deductible	60% coverage after deductible
Non-preferred Brand Drugs	30% coverage after deductible	40% coverage after deductible	100% coverage after deductible	60% coverage after deductible
Lab/X-Ray	50% coverage after deductible	60% coverage after deductible	100% coverage after deductible	60% coverage after deductible
Emergency Room	50% coverage after deductible	60% coverage after deductible	100% coverage after deductible	60% coverage after deductible
Note	Deductible does not apply to services with a copay.	Deductible does not apply to services with a copay.		
	Medica Insure Bronze Copay	Medica Insure Silver Copay	Medica Insure Bronze HSA	Medica Insure Silver HSA

Monthly Premium

\$1,424.65

View Premium Cost
Breakdown

[Enroll](#)

Monthly Premium

\$1,590.38

View Premium Cost
Breakdown

[Enroll](#)

Monthly Premium

\$1,375.13

View Premium Cost
Breakdown

[Enroll](#)

Monthly Premium

\$1,567.96

View Premium Cost
Breakdown

[Enroll](#)

From: Karla Schwake
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver
Date: Monday, September 25, 2017 4:32:07 PM

Hello,

My name is Karla Schwake and I have some comments on the waiver. I also sell health insurance and work for a very small agency in northeast Iowa, Wegner Insurance Agency.

This is my family's health insurance background:

When my husband and I married, I was working full time for about 3 years and had benefits, and then quit working to stay at home and raise our children, in 1992. We have four children and my husband farmed at the time, so we've been paying our own premiums since then. My husband is now unable to work due to a 4 wheeler accident in 2007 and has been denied social security benefits

At one time we were all on the same policy. When it became too expensive the children went on Hawk-I and I had my own plan.

My husband kept his not so great plan and then about 6 years ago went on HIP Iowa. In January 2014 I wrote his policy with Wellmark.

My employer cannot afford to pay for group health insurance, and I am fortunate enough to have a Wellmark plan that is grandmothers.

I do not want to give up this plan, as in the long run, I will be paying more for my health policy, since I am 57 and my husband is 60, I am healthy and my husband is not.

Group coverage would run us at least \$1700 a month in 2018. Some might say, well go get a job with benefits! My office is currently 5 miles from our home and this is rural Iowa, I do not want to drive 70 plus miles a day for a job, in addition to taking care of my grandsons frequently that just would not work!

Paying for health insurance is a struggle for our family and I talk to many people who are in similar situations. Our only carrier left in Iowa is expecting to increase their policies by 56%. I estimated that my husband's plan would cost approximately \$1475 for his alone with a \$6400 deductible. That is unaffordable for our family. I'm estimating my plan to run about \$400 a month next year.

I thought all these details may help you to understand not only my situation, but others in Iowa.

Thank you for your time and **I fully support the waiver to stabilize the market in Iowa.**

Karla Schwake

From: Ryan Hicks
To: [CMS StateInnovationWaivers](#)
Subject: Section 1132 Waiver Comments
Date: Monday, September 25, 2017 4:48:02 PM
Attachments: [image002.png](#)

Good afternoon,

My name is Ryan Hicks, and I am a health insurance agent/producer for United Insurance Agencies in the state of Iowa. I cannot express enough to you the need we have in this state that this measure be approved on the federal level. I greatly appreciate the work that has been done and the time committed to help resolving the many economic issues the ACA has brought. I would ask that you continue this hard work and effort by supporting and passing this Iowa Stopgap Measure, and by so doing, help tens of thousands of Iowans like myself find affordable health insurance and stabilize the ever spiraling healthcare costs.

Your consideration and implementation of this solution is greatly depended upon. It is my hope as an agent, as a consumer, as an Iowan, and as an American that we come together and help those who need this most.

Best regards,

Ryan Hicks
United Insurance Agencies
Phone:(319) 377-9876
Fax: (319) 377-2826
ryanh@theuiagroup.com
80 W. 8th ave Marion, Ia.



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From: Scott Kipp
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 27, 2017 8:45:12 AM

I support the idea of this waiver. I have serious concerns that there is not enough time to implement this for 2018. With no testing even started, it does not seem like a good idea to do this starting 1/1/18. None of the entities involved have a good track record when it comes to rolling out new systems.

I work in broker distribution in Iowa.

Scott Kipp
Operations Manager
PIPAC
1304 Technology Parkway, Suite 200
Cedar Falls, IA 50613

(v) 319.268.7128
(f) 319.277.9069
(c) 319.404.1775

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From: Mark and Gail Stelmacher
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, September 27, 2017 10:11:23 AM

Dear Seema Verma and Randy Pate:

Please allow the State of Iowa to implement their Stopgap Measure program for 2018. My wife and I are 63 years old and if this measure does not pass, I will likely need to go back to work by January 1, 2018 so that we can obtain health insurance here in Iowa. In our state, the Blue Cross & Blue Shield company known as Wellmark, has a monopoly on the individual insurance market. They have communicated to us that without changes in the ACA program, they will not offer any individual insurance programs for Iowans under the age of 65. We are currently covered by a Wellmark individual insurance policy.

Please allow our state to implement its Stopgap health insurance plan for 2018.

Thank you,

Mark Stelmacher
West Des Moines, Iowa
Stelmacher@msn.com

Sent from [Mail](#) for Windows 10



700 Walnut Street, Suite 1600
Des Moines, Iowa 50309

September 28, 2017

Seema Verma
CMS Administrator
US Centers for Medicare &
Medicaid Services
200 Independence Ave., SW
Washington, DC 20201

Randy Pate
Director & Deputy Administrator
US Centers for Medicare &
Medicaid Services
200 Independence Ave., SW
Washington, DC 20201

StateInnovationWaivers@cms.hhs.gov

Dear Ms. Verma and Mr. Pate,

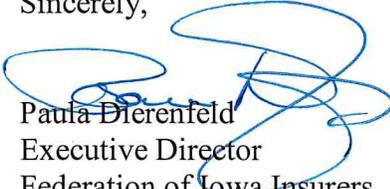
This letter is written to express the Federation of Iowa Insurer's (Federation) support of the Iowa Stopgap Measure ("ISM"), the 1332 Waiver Application under the Affordable Care Act (ACA) submitted for approval by the Iowa Insurance Division to the United States Department of Health and Human Services and the United States Department of the Treasury on August 21, 2017. The Federation is the state trade association whose membership includes Iowa's health insurance companies and who provide services to millions of Iowans across the state.

The individual health insurance market in Iowa is collapsing. Over the past two and a half years, eight individual ACA-compliant plans have either become insolvent, have left, or will be leaving the market and not offering ACA-compliant plans in 2018. Only one carrier has expressed an intent to offer ACA-compliant coverage to Iowans in the individual market in 2018, but to do so has requested premium increases that average nearly 57%. Without dramatic action, thousands of Iowans whose only option is to purchase health insurance from the individual market will find coverage is simply unaffordable. This is not a "chicken little" situation, Iowans are facing a health care crisis.

The ISM offers a solution to ensure a viable individual health insurance market in 2018. While the ISM is not perfect, it will substantially reduce premiums and provide coverage for thousands of Iowa farmers, small business people and retirees who, actuarial studies have shown, will likely lose their coverage if it is not approved.

For these reasons and those expressed by the many others who have also written to you, the Federation supports the State of Iowa's Stopgap Measure and would urge your timely approval of Iowa's application, preventing a crisis in Iowa's individual health insurance market.

Sincerely,



Paula Dierenfeld
Executive Director
Federation of Iowa Insurers

Berko, Mary K. (CMS/OSORA)

From: CMS OA Incoming Controls
Sent: Wednesday, August 2, 2017 9:59 AM
To: Berko, Mary K. (CMS/OSORA)
Subject: FW: Iowa Individual Health Insurance 1332 Waiver Proposal – Public Comment

Please control. Thanks.

From: Wickliffe, Jim (CMS/OSORA)
Sent: Wednesday, August 2, 2017 7:59 AM
To: Barco, Evell J. (CMS/OSORA) <Evell.Barco@cms.hhs.gov>; CMS OA Incoming Controls <OAIincomingcontrols@cms.hhs.gov>
Cc: Watson, Lynette N. (CMS/OSORA) <Lynette.Watson@cms.hhs.gov>; Fultz-Mimms, Trenesha N. (CMS/OSORA) <trenesha.fultzmimms@cms.hhs.gov>
Subject: RE: Iowa Individual Health Insurance 1332 Waiver Proposal – Public Comment

This does appear to have the IPPS reg number but it is not a comment in the IPPS it is a comment on "...Iowa's 1332 Waiver as proposed by the Insurance Commissioner of the State of Iowa.", so it should be controlled to whoever handles the State innovation waivers. Not sure but I would guess that would be CCIIO?

From: Verma, Seema (CMS/OA)
Sent: Tuesday, August 1, 2017 5:03 PM
To: CMS OA Incoming Controls <OAIincomingcontrols@cms.hhs.gov>
Subject: FW: Iowa Individual Health Insurance 1332 Waiver Proposal – Public Comment

From: Charles, Tim [<mailto:TCharles@mercyCare.org>]
Sent: Tuesday, August 1, 2017 4:38 PM
To: Verma, Seema (CMS/OA) <Seema.Verma@cms.hhs.gov>
Cc: 'nic.pottebaum@iowa.gov' <nic.pottebaum@iowa.gov>; 'doug.ommen@iid.iowa.gov' <doug.ommen@iid.iowa.gov>
Subject: Iowa Individual Health Insurance 1332 Waiver Proposal – Public Comment



August 1, 2017

Ms. Seema Verma, Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
ATTN: CMS-1677-P
P.O. Box 8011
Baltimore, MD 21244-1850

Re: Iowa Individual Health Insurance 1332 Waiver Proposal – Public Comment

Dear Administrator Verma:

I am writing you today to express Mercy – Cedar Rapids' full support of Iowa's 1332 Waiver as proposed by the Insurance Commissioner of the State of Iowa and the creation of the Iowa Proposed Stopgap Measure Plan for calendar year 2018.

Mercy Medical Center — a subsidiary of MercyCare Service Corporation and founding member of the University of Iowa Health Alliance (Accountable Care Organization) — is a fully accredited, 445 licensed-bed, regional hospital based in Cedar Rapids that has been serving Iowans for 117 years. Another MercyCare Service Corporation subsidiary, MercyCare Community Physicians, has an established network of family practice, urgent care and specialty clinics. Together, Mercy – Cedar Rapids provides critical medical care to eastern Iowans from all walks of life, covered by private insurance carriers, Medicare, Medicaid, and those with no coverage at all.

At Mercy, we adhere to the values of our founding Sisters of Mercy and live our mission to care for the sick and enhance the health of the communities we serve. With the health and well-being of approximately 72,000 Iowans on the line, we have a strong responsibility to urge your approval of the Iowa Proposed Stopgap Measure Plan and 1332 Waiver. Both, we believe, are carefully drafted and will foster a functional individual health insurance market, avoiding the devastating impacts on people and providers that would occur if Iowa's individual market collapsed.

Our organization looks forward to the August 10 public hearing in Cedar Rapids where we can further voice our support in person.

Sincerely,



Timothy L. Charles
President and CEO
Mercy – Cedar Rapids

cc: The Honorable Kim Reynolds, Governor State of Iowa
Douglas Ommen, Insurance Commissioner State of Iowa

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AUG 14 2017

OSORA, DIVISION
OF CORRESPONDENCE
MANAGEMENT

2211 Timberland Rd
Ames, Iowa 50014
August 5, 2017

Director Seema Verma
Centers for Medicare and Medicaid Services
200 Independence Ave SW
Washington DC 20201

Dear Director Verma,

Thank you for your June 26th note after Dr. Price's healthcare listening session at the White House regarding the challenges of the Affordable Care Act. I am disappointed a bipartisan solution to health care has not come to fruition in Washington. However, I strongly advocate for the Iowa Stopgap Measure on behalf of 72,000 Iowans (including my daughter Caroline Lake) who are in jeopardy of losing their health insurance for 2018.

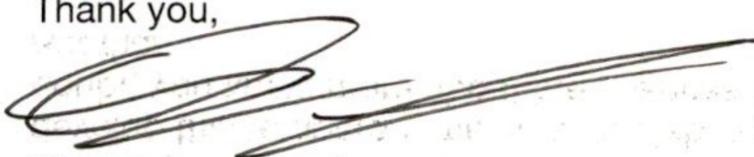
As you are aware, John Forsyth CEO of Wellmark, Iowa Insurance commissioner Doug Ommen, John Naylor of Medica and other stakeholders worked collaboratively to develop this temporary measure to stabilize the individual insurance market in Iowa. No doubt, you know more about the nuances to alter the finances of the Affordable Care Act than I.

I have read through many of the 110+ public comments written on the iowa.gov website for the Iowa Stopgap Measure. A few themes emerge. Farming remains the world's original small business and there are thousands of Iowa farmers who rely on the individual insurance marketplace for their health insurance. The cost of health insurance and the cost borne by Iowans continues to rise, as Dr. Price highlighted during the Listening Session. Many comments highlight federal imposition of the ACA on the states and now federal inaction when the ACA is failing.

CMS has an opportunity with 1332 waiver applications to work through different opportunities for improvement of the ACA on a state-by-state basis. Please grant Iowa the opportunity to work toward a better healthcare solution by approving Iowa's proposed Stopgap Measure for 2018. Or, please provide workable suggestions to the stakeholders in Iowa that allow the measure to move forward.

In a related note, I am sorry my family and I were not able to make it to the White House Monday July 24th to meet President Trump and advocate for healthcare reform. It simply was not in Caroline's best interests to travel to Washington with 18 hours notice. We remain committed to helping in any way we can with healthcare reform and please know we'll do everything we can to help with this effort.

Thank you,



Doug Lake



McFarland Clinic PC

1215 Duff Avenue
P.O. Box 3014
Ames, Iowa 50010

DES MOINES IA 500

08 AUG 2017 PM 2 L



D. Lake

*Director Seema Verma
Centers for Medicare and Medicaid Services
200 Independence Ave SW
Washington, DC 20201*

20201-



October 4, 2017
The Honorable Donald Wright, Acting Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W. Washington, DC 20201

Dear Acting Secretary Wright:

On September 19, 2017, the Departments of Health and Human Services (HHS) and the Treasury (collectively, the Departments) determined that Iowa's application for a State Innovation Waiver under section 1332 of the Affordable Care Act (ACA) was complete, beginning a Federal public notice and comment process.

The undersigned organizations have grave concerns about Iowa's application, which — if permitted to take effect — would cause significant harm to people in the state and violate section 1332 and other provisions of federal law. The application, including the recently submitted supplement:

- Fails to comply with subsection (b)(1) of section 1332 (prohibiting waivers from undermining health coverage or increasing the Federal deficit) — the proposed plan would result in less comprehensive coverage, less affordable coverage, and an increase in the number of uninsured Iowans, and it could well increase the Federal deficit at the same time;
- Fails to comply with subsection (b)(2) of section 1332 (requiring the enactment of state legislation authorizing waivers); and
- Conflicts with several other provisions of federal law that cannot be waived pursuant to section 1332.

In addition, the state failed to provide the public with a meaningful opportunity to review the application and has not provided sufficient information for the Departments to properly review the application, as required by law.

Finally, while this letter focuses on the application's legal shortcomings, many of these issues relate directly to the harm the waiver would do to Iowa consumers. Moreover, the waiver also raises profound fairness concerns. At the most fundamental level, it significantly curtails a program (cost-sharing reductions) that helps moderate-income Iowans afford health care services, and uses the money to pay for a tax credit and a reinsurance program that would subsidize premium expenses for even the wealthiest individuals in the state.

Failure to comply with the requirements of section 1332(b)(1) of the ACA:

Section 1332(b)(1) of the ACA states that a waiver may only be granted if the State plan would: (1) provide coverage at least as comprehensive as that provided by the ACA; (2) provide coverage that is at least as affordable as that provided by the ACA; (3) provide coverage to a comparable number of its residents as the ACA; and (4) not increase the Federal deficit. The state's waiver plan fails to comply with several if not all of these critical guardrails.

Coverage. Iowa's waiver would also likely cause an increase in the uninsured. The application estimates robust enrollment under the waiver scenario without sufficient information to justify this assumption, while also painting a more pessimistic picture of enrollment under the ACA. For example, Iowa would end auto-reenrollment of people in ACA marketplace plans for 2018 but assumes nearly all of them would take the necessary actions during the next open enrollment period

to sign up for the Stopgap plan. This assumption ignores Iowa's recent experience in its challenging transition to Medicaid managed care.

Iowa also assumes all marketplace enrollees who would lose cost-sharing reductions under the waiver would sign up for the Stopgap plan, even though the much higher deductibles would make this coverage far less attractive to them. Again, the state's supplement makes this point clear, by arguing that providing cost-sharing reductions "will ensure that currently enrolled individuals do not leave the marketplace." But since the plan only provides the cost-sharing reductions for a limited number of people, it will only have the beneficial effects on coverage for that limited group; those not receiving the cost-sharing reductions will very likely not obtain coverage. The unrealistic timeline for implementation of the eligibility process also makes it likely that the waiver would reduce enrollment, as do the continuous coverage requirement and other proposed restrictions on special enrollment rights.

Affordability. The waiver plan would reduce affordability by eliminating cost-sharing reductions for individuals between 150 percent and 250 percent of the federal poverty level, as well as American Indians and Alaska Natives at all income levels who are eligible for plans with zero cost sharing. These individuals would be exposed to far greater out-of-pocket expenses compared to coverage without the waiver. Individuals who use hospital care, need specialty drugs, or have a chronic or high-cost condition would experience sharp increases in what they must pay under the Stopgap plan. The state tacitly acknowledges this fact in its supplement, which provides cost-sharing reductions to individuals between 133 percent and 150 percent of the federal poverty level. The state says that it is making this change to try to comply with the affordability requirement. But by restricting these reductions only to those up to 150 percent of the federal poverty level, it is still substantially reducing affordability for individuals between 150 percent and 250 percent of the federal poverty level — who would no longer receive *any* cost-sharing reductions.

In addition, under Iowa's waiver plan, a person or family that would prefer to purchase gold coverage would be required to "buy down" to a silver plan that provides less coverage against out-of-pocket costs. Other groups could lose out on affordability, as well, such as those who experience income reductions during the year and who (apparently) would have no way under Iowa's proposal to have the amount of their premium or cost-sharing assistance increased, in contrast to current law. In addition, Iowa says that it reserves the right to reduce premium assistance if Stopgap premiums are lower than estimated in the application, but does not explain how this might affect the affordability of individuals' premium contributions.

Comprehensiveness. The state's waiver plan would result in less comprehensive coverage than would otherwise be provided — principally by shifting Medicaid enrollees into coverage in the individual market. The plan would allow Medicaid-eligible people to receive subsidies to buy Stopgap coverage in the individual market, provided they are not actually enrolled in Medicaid. While individual market coverage is less comprehensive than Medicaid, health insurance companies offering coverage under the Stopgap plan would have a strong financial incentive to steer these individuals away from Medicaid and into their plans so that they would receive premium payments (which, of course, they do not receive under Medicaid). These individuals would have coverage that is significantly less affordable and comprehensive than the coverage they would receive had they enrolled in Medicaid.

Deficit Neutrality. The waiver has a significant chance of increasing the federal deficit — indeed, the only way the plan is likely not to increase the deficit is if it results in an increase in the number of uninsured Iowans. Iowa notes in its application that the federal government may need to pay out additional subsidies if enrollment in the Stopgap plans is larger than anticipated, even if doing so increases deficits. In addition, the proposal does not appear to properly account for federal administrative costs, for example claiming that the loss of Marketplace user fees does not constitute reductions in revenue to the federal government. Finally, the proposal degrades program integrity, for example by weakening both upfront eligibility verification and the use of third-party reporting, which could result in improper federal payments. In its supplement, Iowa notes that it may not be able to satisfy the deficit neutrality requirement because it expects it last-minute increases in cost-sharing assistance to prompt more people to enroll.

Failure to comply with the requirements of section 1332(b)(2) of the ACA:

Section 1332(b)(2) of the ACA requires that the state pass a law that “provides for State actions under a waiver under this section, including the implementation of the state plan under subsection (a)(1)(B).” However, Iowa’s application does not cite any such legislation. Instead, it references Iowa Code Section 505.8(19), which provides the commissioner with authority to promulgate administrative rules to effectuate insurance provisions in the ACA, not with authority to request a waiver to federal law pursuant to section 1332. In Appendix E, Iowa acknowledges that the cited authority does not provide a “specific state legislative recognition of Section 1332 waiver” and requests that the Department waive this requirement. Iowa cites no authority to waive this statutory requirement, nor is there any such authority in law. Absent state legislation, approval of this waiver would violate section 1332(b)(2).

Failure to comply with several other provisions of federal law that cannot be waived:

Iowa’s proposed waiver would also violate other provisions of federal law that cannot be waived pursuant to section 1332 of the ACA:

- Pursuant to 42 U.S.C. 300gg-1, a health insurer must accept any individual in the state who applies for coverage, although it can restrict enrollment to open or special enrollment periods. Pursuant to authority set forth in that section, HHS promulgated regulations at 45 CFR 155.420 setting forth the events that result in a special enrollment period. In its waiver, Iowa would require people seeking certain special enrollment periods to show they had a gap of no more than 60 days of coverage during the prior 12 months, a requirement that was not set forth in 42 U.S.C. 300gg-1 or 45 CFR 155.420 or 45 CFR 147.104. The effect would be to deny special and limited enrollment periods to people who met the requirements set forth in statute and regulation but could not demonstrate continuous coverage over the relevant period. This requirement in Iowa’s plan violates both regulation and 42 U.S.C. 300gg-1, neither of which is waivable pursuant to section 1332.

Other provisions of Iowa’s waiver plan would violate HHS regulations regarding special enrollment periods, at both 45 CFR 155.420 and 45 CFR 147.104. For example, Iowa would eliminate the SEP triggering event at 45 CFR 155.420(d)(4), leaving people without the ability to access a special enrollment period when they have been the victim of error or misconduct in the individual insurance market. Among the other SEP triggering events Iowa would eliminate are those under 155.420(d)(6) that allow people who become newly

eligible for subsidized coverage to enroll in it after experiencing a change in income or losing an employer's contribution toward employer-sponsored health benefits.

- Iowa's implementation plan would violate requirements related to guaranteed renewability. 42 U.S.C. 300gg-2 requires that health insurers must renew or continue in force coverage except in limited circumstances. Regulations at 45 CFR 148.122 set forth notice requirements of 90 and 180 days when an issuer discontinues a type of coverage or all coverage, respectively. Given the incredibly compressed timeframe that Iowa is proposing to implement its waiver, Medica, which is the only issuer proposing to offer coverage throughout Iowa in 2018, will be unable to provide sufficient notice to its customers that its products are being discontinued.

In addition to these issues, we have concerns about the extent to which the Iowa waiver complies with laws and regulations pertaining to medical loss ratio, rate review, and rate setting.

Improper notice and insufficient analysis:

The state has also failed to provide sufficient notice and opportunity to comment, as well as insufficient analysis to allow for an adequate review of the waiver plan. While the state provided an opportunity for public comment within the state, it provided significant additional information about the plan very late in the public comment period, and did not provide sufficient additional time for commentators to respond to the new proposal. For example, the July 13 draft application – the last one posted before submission on August 21 – did not specify the subsidy schedule or deductibles under the waiver, and indicated that the individual mandate under section 5000A of the Internal Revenue Code might be waived, among other things. And Iowa filed a supplement to its waiver after the federal comment period was already underway and after CMS had provided the state with a completeness letter.

In addition, the state's analysis of the effects of the waiver is woefully incomplete. For example, the state does not explain the relationship between premium assistance amounts and premiums or income level, it does not analyze the effects of directly purchasing insurance from a carrier or ending auto-enrollment, it does not adequately analyze the effect of the waiver on individuals receiving subsidies, and it does not analyze the claim by Wellmark regarding the rates it would offer. Moreover, the state does not evaluate the impact of its waiver on vulnerable populations.

Given these varied and serious concerns, we do not believe the State's plan meets the legal requirements to waive provisions pursuant to section 1332 of the ACA.

Center for American Progress
Center on Budget and Policy Priorities
Families USA
National Health Law Program
National Partnership for Women & Families

October 17, 2017
The Honorable Eric Hargan, Acting Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W. Washington, DC 20201

Dear Acting Secretary Hargan:

On September 19, 2017, the Departments of Health and Human Services (HHS) and the Treasury (collectively, the Departments) determined that Iowa's application for a State Innovation Waiver under section 1332 of the Affordable Care Act (ACA) was complete, beginning a Federal public notice and comment process. On October 4, the undersigned organizations submitted comments raising grave concerns with Iowa's application, as amended by Iowa's September 20 supplement. We noted that, if permitted to take effect, Iowa's application would cause significant harm to people in the state and violate section 1332 and other provisions of federal law.

On October 5, 2017, Iowa submitted yet another supplement to its waiver proposal. This supplement acknowledged some of the concerns we had raised in our previous comments, specifically that the waiver failed to comply with the affordability and coverage requirements in subsection (b)(1) of section 1332.

Unfortunately, Iowa's most recent supplement is insufficient to address concerns about the coverage offered, fails to address other legal concerns we previously noted, and reinforces concerns about the accuracy of the state's estimate of the necessary funding to implement its plan.

Because of the unrealistic assumptions regarding funding, Iowa is likely to suffer a funding shortfall next year if it implements the waiver. The state has provided no information as to how it would address that shortfall, but it is likely to lead to negative impacts on coverage for Iowans in the individual health insurance market that would implicate the requirements of section 1332. The state would likely need to reduce the comprehensiveness of people's coverage, raise premiums or cost-sharing charges so that they are less affordable for some enrollees, take steps to reduce the number of people who are covered, or institute some combination of all of these cutbacks. By using unrealistic financial projections and failing to clarify how it would reckon with this lack of funding in its waiver, Iowa has not met the requirement to explain how its waiver proposal will provide coverage that is as affordable and comprehensive as that provided in the absence of the waiver to at least as many people, without increasing the federal deficit.

As in its previous form, the application, including the recently submitted supplement:

- Fails to comply with subsection (b)(1) of section 1332 (prohibiting waivers from undermining health coverage or increasing the Federal deficit) — the proposed plan would result in less comprehensive coverage, less affordable coverage, and an increase in the number of uninsured Iowans, and these problems could be exacerbated by a funding shortfall resulting from unrealistic and inaccurate funding assumptions;
- Fails to comply with subsection (b)(2) of section 1332 (requiring the enactment of state legislation authorizing waivers); and
- Conflicts with several other provisions of federal law that cannot be waived pursuant to section 1332.

In addition, the recent supplement heightens concerns that the state failed to provide the public with a meaningful opportunity to review the application and has not provided sufficient information for the Departments to properly review the application, as required by law.

Finally, while this letter focuses on the application's legal shortcomings, these are not just legal concerns; many of these issues will have a direct, substantial, and harsh impact on consumers. Iowa has alternative options to address high premiums without causing these harms, and we urge the state to take them.

Failure to comply with the requirements of section 1332(b)(1) of the ACA:

Section 1332(b)(1) of the ACA states that a waiver may only be granted if the State plan would: (1) provide coverage at least as comprehensive as that provided by the ACA; (2) provide coverage that is at least as affordable as that provided by the ACA; (3) provide coverage to a comparable number of its residents as the ACA; and (4) not increase the Federal deficit.

Coverage. Iowa's waiver would likely cause an increase in the uninsured. The application estimates robust enrollment under the waiver scenario without sufficient information to justify this assumption, while also painting an unduly pessimistic picture of enrollment under the ACA.

Waiver approval will endanger current coverage levels because there are significant questions about Iowa's ability to implement its waiver in the timeframe available. Iowa submitted its waiver proposal on August 21 and, as discussed below, it substantially revised the proposal as recently as October 5 – with open enrollment scheduled to start November 1. It is highly doubtful that Iowa will be able to stand up, test, and deploy its own systems to inform eligible individuals about the new coverage and the steps they must take to get it, determine people's eligibility for financial assistance, and deliver that financial assistance – including cost-sharing assistance that the state first proposed a few weeks ago – all within a matter of weeks. Given the requirements of subsection (b)(1) of section 1332, it would be inconsistent with the statute to approve Iowa's waiver unless the state can demonstrate an ability to overcome these challenges and successfully enroll eligible individuals in coverage. Iowa's application provides no such evidence.

Moreover, even if it could be implemented as proposed, Iowa's waiver would make it harder for people to maintain or newly enroll in coverage, likely leading to coverage losses. For Iowans seeking to maintain existing coverage, while the ACA allows enrollees to opt to be automatically re-enrolled each year, Iowa would terminate all coverage at the end of 2017 and require everyone to take steps to actively re-enroll for 2018 – even those who were led to believe they could rely on being auto-reenrolled. Decades of experience in the Medicaid program show significant coverage losses when annual re-enrollment is required, even without the confusion that could arise from previous assurances that re-enrollment would be automatic. In addition, while the ACA marketplace typically sends reminders to people to encourage them to enroll and to make them aware of impending deadlines and actions they must take, it is unclear whether Iowa would have the time or the data necessary to undertake similar, targeted efforts, which are critical to achieving robust enrollment.¹

¹ The state's application references a communication plan that was scheduled to be launched September 15 for the open enrollment population. But other than a website and a checklist for consumers, as well as a landing page at Wellmark's

For Iowans wishing to newly enroll, they would have to deal with a far more cumbersome process in 2018 than would be the case under current law. At the ACA marketplace website, Iowans are able to submit eligibility information, receive a federal determination of eligibility, pick the insurer and plan they want, and then link directly to the insurer's website to pay the first month's premium for their plan – often all in one sitting. Under Iowa's plan, individuals would have to submit eligibility information via a new website (assuming under a best-case scenario that Iowa's website is functioning adequately when open enrollment begins on November 1) and then wait to receive an eligibility code² by mail, which Iowa estimates would take up to 10 business days. Then, people who are found eligible would have to contact a participating insurance carrier or licensed insurance agent in order to actually enroll in coverage. December 15 is the final day for consumers to enroll in coverage under Iowa's proposal, yet to account for the time Iowa needs to process and mail eligibility applications, consumers would have to apply well before that date – and certainly no later than December 1 -- to ensure they receive an eligibility code in time. This effectively shortens the open enrollment period compared to what would be available without the waiver and further increases the chances that some consumers would miss the deadline and fewer people would enroll overall.

Moreover, people who challenge incorrect eligibility determinations under Iowa's proposal would have no access to retroactive enrollment, and, as noted below, Iowa is proposing to eliminate and restrict several special enrollment periods that would otherwise be available to eligible people after the open enrollment period ends.

Yet Iowa's coverage estimates appear to completely ignore how its proposal for an enrollment process that is more restrictive and onerous for consumers would depress coverage.

In addition, as discussed in greater detail below, the apparent shortfall in funding for the waiver raises concerns that Iowa would reduce the generosity of the promised premium and cost-sharing subsidies, with negative effects on coverage.

Affordability. The waiver plan would reduce affordability by eliminating cost-sharing reductions for individuals between 200 percent and 250 percent of the federal poverty level, as well as American Indians and Alaska Natives at all income levels who are eligible for plans with zero cost sharing, and reducing cost-sharing protections for individuals between 150 percent and 200 percent of the federal poverty level. These individuals would be exposed to greater out-of-pocket expenses compared to coverage without the waiver. Individuals who use hospital care, need specialty drugs, or have a chronic or high-cost condition would experience sharp increases in what they must pay under the Stopgap plan. The state tacitly acknowledges this fact in its two supplements, which restored cost-

website with similar materials, Iowa has not provided additional details about how it will ensure consumers have the information and prompting they would need to follow through with the proposed process.

² It is far from clear that Iowa would be able to adequately and accurately determine people's eligibility for the proposed premium credits. Iowa's application notes that it requested that CMS provide access to certain data sources that would be needed to support the eligibility process and, as of August, was still awaiting an answer.

sharing reductions to individuals between 133 percent and 150 percent of the federal poverty level and provided cost-sharing protections to individuals between 150 percent and 200 percent of the federal poverty level, albeit at a lower level than under current law. The state says that it is making these changes to try to comply with the affordability requirement. But by restricting these reductions only to those up to 200 percent of the federal poverty level, and reducing protections for those between 150 percent and 200 percent of the federal poverty level, it is still substantially reducing affordability for those individuals — particularly those who would no longer receive *any* cost-sharing reductions.

In addition, under Iowa’s waiver plan, the only plan that will be available to people with incomes over 200 percent of the poverty level will have individual deductibles of \$7,350. In contrast, absent the waiver, Medica has filed to offer gold plans (as well as silver and bronze plans); the typical marketplace gold plan deductible is about \$1,000.

Moreover, Medica appears to be increasing silver plan premiums in 2018 to account for the possibility that the federal government will not reimburse insurers for cost sharing reductions. This may result in Medica offering gold plan coverage for less than the cost of silver plan coverage. Because federal premium tax credits are based on premiums for silver plans, that would allow many subsidized Iowa consumers to purchase gold plan coverage in 2018 for less than silver plan coverage cost them last year.³ Iowa’s deficit neutrality calculation appears to assume that Medica will increase rates to account for potential non-payment of CSRs, but its affordability discussion ignores the fact that this would also expand access to low-deductible plans for moderate-income consumers.

Other groups could lose out on affordability as well, such as those who experience income reductions during the year and who (apparently) would have no way under Iowa’s proposal to have the amount of their premium or cost-sharing assistance increased, in contrast to current law. Iowa says that it reserves the right to reduce premium assistance if Stopgap premiums are lower than estimated in the application, but does not explain how this might affect the affordability of individuals’ premium contributions.

In addition, as discussed in greater detail below, the apparent shortfall in funding for the waiver raises concerns that Iowa would reduce the generosity of the promised premium and cost-sharing subsidies, with negative effects on affordability.

Deficit Neutrality. Iowa’s treatment of deficit neutrality and costs under its waiver is flawed in several respects.

First, Iowa’s application asserts that virtually every age and income group among subsidized consumers would pay lower net premiums (after financial assistance) under the waiver than under current rules, while the waiver would also offer tax credits to over 25,000 higher-income Iowans who are currently ineligible for them and create a new reinsurance program paying about 15 percent

³ For a more detailed discussion of why this is the case, see Dianna Welch and Kurt Giesa, “Analysis: Potential Impacts of Defunding CSR Payments,” Oliver Wyman, May 12, 2017, http://health.oliverwyman.com/transform-care/2017/05/impact_defunding_CSR_payments.html.

of claims. Iowa's initial application proposed as one offset for these costs eliminating cost-sharing assistance for lower-income Iowans, but Iowa's latest proposal restores some (though not all) of that assistance, with no changes to the underlying waiver policy to offset the cost. And yet, Iowa asserts that the cost of its (revised) waiver would be no greater than the cost of current policy. This is not plausible. Consistent with that conclusion, a recent analysis by RAND Corporation suggested that, if implemented as proposed, Iowa's waiver would increase the federal deficit by \$117 million.⁴

Second, Iowa's application includes several apparent errors and inconsistencies in its accounting of deficit neutrality and pass-through funding.

- **Iowa's cost estimates understate by \$12 million the cost of the waiver's premium subsidy as calculated in the actuarial analysis.** The actuarial estimate of the cost of the state's proposed premium credit, as included in the application, is about \$317 million for 2018.⁵ But the narrative of the application,⁶ and the table in the supplement, claim that the premium credit will cost about \$305 million⁷ – a difference of about \$12 million. No explanation is given for this discrepancy.
- **The calculation of pass-through funding ignores the loss of \$26 million in federal revenues from the individual mandate and the FFM user fee that would occur under Iowa plan.** The NovaRest actuarial analysis indicates that the Iowa plan would create \$422 million in tax credit savings, offset by \$6.9 million in reduced individual mandate fee payments (because more people are assumed to have coverage) and \$18.8 million in reduced Federally-Facilitated Marketplace (FFM) user fee payments (because the FFM would no longer operate in the state or collect the user fee from carriers there).⁸ The actuarial analysis notes that the net tax credit savings from these offsetting effects – about \$396 million – represents the amount of pass-through funding available to the state, since deficit neutrality must be preserved. This is the same approach to calculating pass-through funding that the Departments used for the recently approved Alaska waiver.⁹

But the supplement ignores the offsetting costs in determining available pass-through funding. Instead of the \$396 million the actuarial analysis calculates, the supplement seeks

⁴ Sarah A. Nowak, Preethi Rao, Jodi L. Liu, Christine Eibner, "The Effects of Iowa's Proposed Stopgap Measure on Health Insurance Costs and Coverage," RAND Corporation, October 2017. https://www.rand.org/pubs/research_reports/RR2228.html

⁵ See the table "2018 ACA VS Iowa Stopgap" on the second page under Additional Materials Prepared by NovaRest, Inc. and provided to the Iowa Insurance Division. It is also page 107 of the application pdf.

⁶ See page 19 of the application.

⁷ See the table on page 3 of the supplement.

⁸ See the table on page 11 of the NovaRest actuarial analysis (repeated on page 26). Note that the analysis correctly reports no savings from waiving cost-sharing reduction payments, since the baseline assumes that premiums have been increased to reflect the non-payment of those reductions. This has the effect of increasing the tax credit savings to effectively include amount that would be saved from waiving the cost-sharing reduction payments.

⁹ <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/Approval-Letter.pdf>. See Appendix A.

\$422 million – the full amount of tax credit savings without the offsets.¹⁰ The application attempts to justify disregarding the user fee loss because the FFM will save money by not serving Iowa, which ignores that much of the FFM's cost is fixed. With respect to the individual mandate fee, the application does not even explicitly argue that the lost revenues should be ignored, but notes that federal revenues are uncertain.

The loss of both individual mandate revenue and user fee revenue would increase federal deficits under the waiver, and most be accounted for in reduced pass-through funding provided to the state.

- **The deficit neutrality calculation ignores the loss of about \$80 million in federal revenues from the employer mandate fee.** Iowa's plan would eliminate federal revenues from the employer mandate fee, but this cost seems to be ignored in the deficit neutrality calculations. Under current law, the employer fee is triggered only when an applicable employer's full-time employee receives the ACA premium tax credit or cost-sharing reductions. The waiver would eliminate both ACA subsidies and with them the IRS's authority to collect the employer fee. The application includes no mention of an alternative means by which IRS would have authority to collect the fee and fails to provide for the regulatory and operational changes necessary to effectuate any such change.¹¹ The federal cost of not collecting the fee for 2018 would be around \$80 million. The deficit neutrality tables in the application and supplement make no reference to this cost.

These inadequacies are particularly concerning because Iowa's proposal rests on the faulty assumption that the federal government will provide it with open-ended funding to implement its waiver, increasing federal funding as needed based on actual waiver costs. The application is explicit that the federal government will cover any cost over-run under the state's waiver. In fact, the application emphasizes that the state's enrollment and cost estimates may be too low. If enrollment is higher than expected, the state insists that the federal government would provide additional pass-through funding to cover the difference.

However, there is no authority for the federal government to provide pass-through funding that exceeds the amount provided in section 1332(a)(3) or that causes a waiver to increase the deficit. Doing so would violate both section 1332 and the Anti-Deficiency Act. It would also be inconsistent with the approach taken with the Alaska waiver, where pass-through funding was set to prevent the waiver from increasing the deficit.

¹⁰ See the table on page 3 of the October 5, 2017 supplement.

¹¹ Amending the state's plan to allow collection of the employer fee would require both a waiver under the employer mandate to allow a different trigger and an operational mechanism for the state to notify the IRS about the triggering event (for example, a full-time employee receiving the state subsidy). It would also require the IRS to revise its administrative and IT systems to incorporate the alternative rules in Iowa – changes that would be costly if not impossible for the IRS to make. The application makes no mention of any such measures or alternative measures that would permit the assessment of the fee.

The flawed deficit neutrality assumptions in Iowa’s waiver pose risks not just to the federal government, but to coverage and financial assistance for Iowa consumers. The federal government is legally precluded from providing the open-ended funding Iowa requests. Yet Iowa appears to be *underestimating* the resources it needs and *over-estimating* the federal pass-through funds available for its waiver. Therefore, Iowa would likely face a shortfall in its program in 2018. The application offers no explanation of how Iowa would make up for the funding shortfall or what would happen to consumers if funding runs out. But it seems likely that the state would be forced to reduce coverage or increase costs for some portion of the population in its Stopgap Plan. Moreover, given the previous iterations of Iowa’s proposal, which sought to cut funding that helps moderate-income Iowans afford health care services and use the money to pay for a tax credit and a reinsurance program that would subsidize premium expenses for even the wealthiest individuals in the state, it seems likely that the group that will bear the brunt of any mid-year changes will be the most vulnerable.

Comprehensiveness. The state’s waiver plan would result in less comprehensive coverage than would otherwise be provided — principally by shifting less healthy Medicaid enrollees into coverage in the individual market. The plan would allow Medicaid-eligible people to receive subsidies to buy Stopgap coverage in the individual market, provided they are not actually enrolled in Medicaid. While individual market coverage is less comprehensive than Medicaid, health insurance companies offering coverage under the Stopgap plan would have a strong financial incentive to steer these individuals away from Medicaid and into their plans so that they would receive premium payments. These individuals would have coverage that is significantly less affordable and comprehensive than the coverage they would receive had they enrolled in Medicaid.

Failure to comply with the requirements of section 1332(b)(2) of the ACA:

Section 1332(b)(2) of the ACA requires that the state pass a law that “provides for State actions under a waiver under this section, including the implementation of the state plan under subsection (a)(1)(B).” However, Iowa’s application does not cite any such legislation. Instead, it references Iowa Code Section 505.8(19), which provides the commissioner with authority to promulgate administrative rules to effectuate insurance provisions in the ACA, not with authority to request a waiver to federal law pursuant to section 1332. In Appendix E, Iowa acknowledges that the cited authority does not provide a “specific state legislative recognition of Section 1332 waiver” and requests that HHS waive this requirement. Iowa cites no authority to waive this statutory requirement, nor is there any such authority in law. Absent state legislation, approval of this waiver would violate section 1332(b)(2).

Failure to comply with several other provisions of federal law that cannot be waived:

Iowa’s proposed waiver would also violate other provisions of federal law that cannot be waived pursuant to section 1332 of the ACA:

- Pursuant to 42 U.S.C. 300gg-1, a health insurer must accept any individual in the state who applies for coverage, although it can restrict enrollment to open or special enrollment periods. Pursuant to authority set forth in that section, HHS promulgated regulations at 45 CFR 155.420 setting forth the events that result in a special enrollment period. In its waiver, Iowa would require people seeking certain special enrollment periods to show they had a gap

of no more than 60 days of coverage during the prior 12 months, a requirement that was not set forth in 42 U.S.C. 300gg-1 or 45 CFR 155.420 or 45 CFR 147.104. The effect would be to deny special and limited enrollment periods to people who met the requirements set forth in statute and regulation but could not demonstrate continuous coverage over the relevant period. This requirement in Iowa's plan violates both regulation and 42 U.S.C. 300gg-1, neither of which is waivable pursuant to section 1332.

Other provisions of Iowa's waiver plan would violate HHS regulations regarding special enrollment periods, at both 45 CFR 155.420 and 45 CFR 147.104. For example, Iowa would eliminate the SEP triggering event at 45 CFR 155.420(d)(4), leaving people without the ability to access a special enrollment period when they have been the victim of error or misconduct in the individual insurance market. Among the other SEP triggering events Iowa would eliminate are those under 155.420(d)(6) that allow people who become newly eligible for subsidized coverage to enroll in it after experiencing a change in income or losing an employer's contribution toward employer-sponsored health benefits.

- Iowa's implementation plan would violate requirements related to guaranteed renewability. 42 U.S.C. 300gg-2 requires that health insurers must renew or continue in force coverage except in limited circumstances. Regulations at 45 CFR 148.122 set forth notice requirements of 90 and 180 days when an issuer discontinues a type of coverage or all coverage, respectively. Given the incredibly compressed timeframe that Iowa is proposing to implement its waiver, Medica, which is the only issuer proposing to offer coverage throughout Iowa in 2018, will be unable to provide sufficient notice to its customers that its products are being discontinued.

In addition to these issues, we have concerns about the extent to which the Iowa waiver complies with laws and regulations pertaining to medical loss ratio, rate review, and rate setting.

Improper notice and insufficient analysis:

The state has also failed to provide sufficient notice and opportunity to comment, as well as insufficient analysis to allow for an adequate review of the waiver plan.

As an initial matter, the state did not provide sufficient time public comment within the state. For example, the July 13 draft application – the last one posted before submission on August 21 – did not specify the subsidy schedule or deductibles under the waiver, and indicated that the individual mandate under section 5000A of the Internal Revenue Code might be waived, among other things. Since submitting its application and having it declared complete, the state has provided two substantial supplements to its plan that significantly altered its structure. Yet the state has provided no opportunity for public comment within the state regarding these changes. And there has been insufficient opportunity for public comment at the federal level as well, with the most recent significant revision being submitted a scant two weeks before the close of the federal public comment period. These problems are exacerbated by the dearth of state analysis—while the original proposal numbered 192 pages, the two supplements were accompanied by less than 3 pages of analysis each. And the state has not provided actuarial analyses and certifications for the supplemented plan as required by 45 CFR 155.1308(f)(4).

In addition, the state’s analysis of the effects of the waiver is woefully incomplete. For example, the state does not explain the relationship between premium assistance amounts and premiums or income level, it does not analyze the effects of directly purchasing insurance from a carrier or ending auto-enrollment, it does not adequately analyze the effect of the waiver on individuals receiving subsidies, and it does not analyze the claim by Wellmark regarding the rates it would offer. Moreover, the state does not evaluate the impact of its waiver on vulnerable populations.

It is possible that some of these inadequacies have been addressed through additional materials provided by the State. If so, those materials have not been shared with the public, raising additional concerns about the opportunity to comment. This would also appear to violate the requirement in 45 CFR 155.1316(b)(2) that the Departments “make available through its Web site and otherwise...any supplemental materials received from the state prior to and during the Federal public notice and comment period,” and the similar requirement in 45 CFR 155.1308(g) that if the Departments request any “additional supplemental information from the state as needed to address public comments or to address issues that arise in reviewing the application,” then the “[r]equests for additional information, and responses to such requests, will be made available to the public in the same manner as information described in § 155.1316(b).” On the other hand, if it is actually the case that the Departments have received no information or materials other than what has been made publicly available, this would raise serious concerns about the ability of the Departments to determine the effects of the waiver consistent the requirements of section 1332.

Given these varied and serious concerns, we do not believe the State’s plan meets the legal requirements to waive provisions pursuant to section 1332 of the ACA.

Alternatives

Iowa’s overarching justification for its waiver is that it sees no alternatives that would maintain affordable coverage for consumers. But in fact, under current rules, 87 percent of Iowa marketplace consumers – and a substantial majority of all ACA market consumers – are eligible for subsidies that would shield them from rate increases. As discussed above, Iowa’s waiver would expose these consumers to harms and risks they would not experience under current rules.

Moreover, Iowa’s waiver has been a distraction from alternative steps both the federal government and Iowa could be taking to make its market more stable and coverage more affordable for unsubsidized consumers. For example:

- Iowa could narrow its 1332 waiver to simply create a reinsurance program, an approach taken by Alaska and other states, without the other harmful and complicated policy changes in its waiver. The RAND analysis suggests that Iowa could implement a reinsurance program financed with federal funds that would increase insurance coverage and lower premiums compared to its current proposal, while actually *reducing* the federal deficit.¹²
- Iowa could also take action to address its risk pool challenges, some of which are of its own making. According to the NovaRest analysis, nearly 76,000 Iowa consumers would continue to be enrolled in grandfathered and transitional plans (plans not subject to ACA rules) for

¹² Nowak et al, *op cit*.

2018, compared to nearly 54,000 consumers that are expected to enroll in the marketplace. Having such a large (and apparently healthier) portion of Iowa’s insurance market enrolled in plans that fail to meet ACA rules hurts the ACA risk pool and leads to higher premiums for the people enrolling in ACA plans. Iowa appears to be an outlier among states in this respect.

- About one-fifth of Medica’s proposed rate increase is attributable to the risk that the federal government stops reimbursing insurers for cost-sharing reductions – a risk that has now been realized. Medica also attributes its proposed rate increase in part to the “unprecedented amount of uncertainty and risk inherent in the marketplace.”¹³ Federal policymakers could address these risks by ending efforts to repeal the ACA and committing to enforce the law, including making the cost-sharing reduction payments to insurers.

Rather than pursue an illegal waiver that will harm the most vulnerable populations in the state’s individual marketplace, Iowa and the federal government should look to commonsense, legally permissible solutions that could significantly improve Iowa’s market for next year and beyond.

Center for American Progress
Center on Budget and Policy Priorities
Families USA
National Health Law Program
National Partnership for Women & Families

¹³ https://ratereview.healthcare.gov/files/777132_93078_01012018_IND_RedactedAM.pdf.

To: StatelInnovationWaivers@cms.hhs.gov

Subject: Iowa Section 1332 Waiver Comments

Date: October 4, 2017

From: Cheryl Fish-Parcham, Director of Access Initiatives, Families USA, cparcham@familiesusa.org

Families USA is a national nonprofit organization dedicated to the achievement of high-quality, affordable health care and improved health for all. We are signatories to group comments on Iowa's waiver, and are writing to provide additional comments on problems that Iowa consumers would face under the proposal. We strongly urge rejection or significant modification of Iowa's 1332 waiver for the following reasons:

- 1) Iowa's waiver does not meet the statutory guardrail of providing "coverage and cost sharing protections against excessive out of pocket costs that is at least as affordable" as the title of the ACA would otherwise provide.

The table on page 31 clearly demonstrates that someone with income under 250% of poverty is at risk of incurring far greater out-of-pocket costs for health care services under the waiver than they will today. Although Iowa's supplemental filing will limit out of pocket costs for people with income up to 150 percent of poverty, Iowa has not addressed the higher costs for people with incomes 150-250 percent of poverty.

Under the ACA, in 2018, the maximum annual limit on cost-sharing for people with income 150-200% of poverty is \$2450/individual, \$4900/family; the maximum limit at 200-250% of poverty is \$5850/individual, \$11,700/family. Under Iowa's proposed plan, these limits will no longer be in effect. Instead, everyone with income over 150 percent of poverty that had a hospitalization could face a deductible of \$7350 per individual, \$14,700 per family. People using multiple drugs for serious illness or a chronic condition will face high drug copayments that could easily include one or more \$300/administration specialty drug plus several \$150/administration medications. At incomes just over \$18,100 annually for an individual (\$1508/month), these costs will not be manageable.

Iowa's proposal would lower premium rates for people in this income range, and the table on page 28 shows premium savings for an individual at just over 150% of poverty of \$67-\$77/month. However, this is not enough to offset the increased out-of-pocket costs for someone with a serious illness. In total, someone with serious or chronic illness could face out-of-pocket costs for health care that are \$4900 higher annually than they would face under the ACA, while their premium savings (according to the table on page 28) are \$804-\$924 depending on age.

On page 32 of its proposal, Iowa presents tables showing a smaller *average* monthly difference in costs for people in the cost sharing reduction range – but those tables are based on average costs, and under the ACA, insurance is meant to also protect people with higher than average health care costs. Under Iowa's proposed waiver, vulnerable people with chronic conditions or with serious illness will not be able to afford treatment. Depending on the person's illness, increased costs may come over the course of months, or extremely high costs in a particular month will impede access to care. Though the application mentions community clinics as an answer to this problem, it is unlikely that such clinics are able to dispense medicines without charge, including specialty medicines, and

provide all services such as physical and occupational therapies needed by people with serious illnesses and disabling conditions. Iowa should modify its proposal to ensure that people at these low-to-moderate income levels will be assured access to treatment and will be able to afford their care.

Though Iowa asserts that there is a trade-off between providing affordable coverage to more people and continuing cost sharing reductions, it has not made this case in the application. There is no discussion of what premium savings could be achieved if the waiver provided for reinsurance without eliminating cost sharing help.

The application does not commit Iowa to providing the premium protections that are provided in its application, and Iowa has not enacted a law that would guarantee its consumers these premium protections. Iowa notes that the premiums listed are an estimate. It has not committed to providing its residents with coverage at any particular price this year or next. Iowa asks for an option of renewal in 2019, but provides no guarantee that the premium after credits for people under 400 percent of poverty will protect a similar proportion of their income.

Higher income Iowans are also affected. They will not be able to buy gold plans, as they can now. People with incomes that drop midyear will not get their premium credits adjusted, as they do now, so will also likely lose coverage.

- 2) Groups of vulnerable residents may be unable to obtain coverage due to Iowa's continuous coverage requirements. Some will be denied due process protections.

For example, Iowa is requiring that people who special enroll because they are victims of domestic violence or spousal abandonment have documented gaps of no more than 60 days. However, these victims may have fled violent households without any documentation of their previous coverage, and they may have been in households where they had no control over their coverage situation. Concerns like these, which were raised and addressed during the comment period on revised special enrollment rules to federal regulators, should not be ignored by Iowa.

Iowa states that there will be no retroactivity if people appeal a determination of premium tax credits and are found eligible for a credit or a larger amount or if they appeal other errors. This will not make residents whole when there are errors. Some residents will need retroactive coverage in order to pay for medical care, and some will not have been continuously covered if glitches prevented them from enrolling with the correct premium amounts.

- 3) It is highly unlikely that Iowa can stand up its own tax credit system in time for open enrollment.

Iowa should be required to demonstrate that it can launch any system that is approved without adversely affecting its residents. System problems could otherwise prevent Iowa from providing coverage to a comparable number of residents.

Tens of thousands of Iowans are also likely to lose coverage due to lack of auto-enrollment procedures and lack of any outreach and enrollment plan. At a minimum, Iowa should be required to demonstrate that its procedures will be adequate to reach and enroll current enrollees, and that

if confusion, system errors, or lack of outreach has prevented timely re-enrollments, it will correct for this by extending enrollment periods, increasing outreach, or other measures.

- 4) Iowa did not provide sufficient information at the state level to “ensure a meaningful level of public input.”

At the time this waiver was out for public comment, the actuarial analysis had not been completed and the effect on cost sharing for populations under 250 percent of poverty was not known. CMS should take this into account as it considers the comments that were submitted.

- 5) Iowa does not provide a mechanism to refer people that are eligible for Medicaid or CHIP to those programs.

Medicaid and CHIP-eligible people who mistakenly enroll in the stopgap plan will face higher costs than they are entitled to receive.

- 6) Since these are not waivable, we assume that Iowa’s waiver must comply with other provisions of law, including medical loss ratios and rate review. However, we have not seen a rate filing that demonstrates this.

For all of these reasons, we recommend that you disapprove this waiver as written, and/or require significant modifications to better protect consumers and comply with Section 1332 of the law.

From: Libby Stricker
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Thursday, October 5, 2017 10:19:53 AM

Please approve this measure. As an insurance agent selling health insurance, I can tell you that many people will go without any insurance unless this measure is passed. The rate increase Medica has taken will make health insurance unaffordable. Then, add the deductible, co-pays, and high OOP and people know they can't afford any of it...better to go uninsured and pray nothing serious happens. This is not a wise option but when their income is not adequate this is what will happen.

People in Iowa are hard workers and know the value of a dollar and try to save but what the federal health care change is costing vastly exceeds any possible savings.

Iowa is the insurance capital of the country. It is time for Iowa to stand up and show the rest of the United States how to take care of it's people!

Thank you for your consideration. Please pass this measure.

Libby Stricker
Spencer Insurance Services



Northwest Consultants, Inc.

Libby Stricker HOME 1 AUTO 1 BUSINESS 1 LIFE 1 HEALTH

Ph: 712.262.8000 ext 203 | Fax: 712.262.4021 | Libby@SpencerInsuranceServices.com

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From: Ramona
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section1332 Waiver comments
Date: Thursday, October 5, 2017 3:34:05 PM

Director Pate,

This is in regards to the Iowa Stopgap Measure. I am one of the over 20,000 Iowans that currently purchase an individual healthcare plan. I do not qualify for any financial credits but am willing to buy my health insurance. I just need a company that will offer me such a plan. I am one of the Iowans that needs insurance until I am able to apply for medicare and supplements later next year. Please consider the Iowa Stopgap measure to offer Iowans a chance to buy private insurance.

Thank You.

Ramona Kalkwarf
rkalkwarf@cfu.net

From: danwalterman@premierhealthia.com
To: [CMS StateInnovationWaivers](#)
Cc: [danwalterman@premierhealthia.com](#)
Subject: Iowa Stop Gap Measure
Date: Friday, October 6, 2017 9:03:55 AM

In consideration of the Iowa Stop Gap Measure, during the public comment period, I would like to express my opinion that the Iowa Stop Gap Measure should NOT be supported by HHS for the year 2018. Although I am in full support of the measure itself, it is too late for it to effectively work for the coverage year of 2018. I would also like to make you aware that I own an insurance brokerage specializing in individual health insurance in the state of Iowa.

Iowa has approximately 70,000 people on individual ACA plans. Under the stop gap, all of these people will lose coverage and then need to repurchase coverage for 2018. These are predominately people that would be considered lower income or have significant health issues. The method in which the state of Iowa would use to issue tax credits and enroll customers is not only highly inefficient and time consuming for a 45 day open enrollment period, but extremely confusing for the common policy holder. Little information has been publicly released concerning these details, and most Iowans that I speak to have never heard of the Iowa Stop Gap Measure.

If Iowa continues with the ACA as normal, at least for the year 2018, those Iowans who will lose the current health insurance because of both Aetna and Wellmark Blue Cross terminating their individual ACA plans, will be automatically enrolled, or "mapped" , to the remaining insurance company, Medica. This allows everyone to have coverage, and still have the option to change if they wish. If these people were not mapped over to Medica, and instead their coverage terminated, there is no time to adequately enroll all of those customers onto the Stop Gap plan. I would estimate that out of 70,000 ACA members, only half would be enrolled for 2018.

Thank you

Dan Walterman

#1 Ind. Adviser Wellmark Blue Cross - 2008, 2009, 2010, 2011, 2012, 2013, 2014
#1 Ind Adviser Coventry / Aetna - 2006, 2007, 2008, 2009, 2010

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From: R Flaspohler
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stop Gap for Health Insurance
Date: Saturday, October 7, 2017 10:00:48 AM

I am in my early 60s. This must be approved. If not this will be the first time in my life that I and my spouse will have NO health insurance. With only one company, Medica offering coverage at ~\$2500 per month with very high deductible for myself and spouse. I can barely pay the current Wellark plan also a high deductible. We travel out of state and have only emergency coverage then. This is the worst coverage I have ever had. No one ever planned to pay this much for insurance that really covers nothing for illnesses, \$30,000 of money for what? I guess if something major happens we'll have full bankruptcy. Something needs to change NOW. ACA is not working. Need more competition among carriers across states. Families are suffering.

From: Lynn Schreder
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Monday, October 9, 2017 11:22:54 AM

Director Pate,

I support the approval of Iowa's Section 1332 waiver.

Please understand that this is in no way putting a "band aid" on Obamacare.

This is to get Iowans through one year until Washington can put a plan together to make health care more affordable for everyone.

We have one carrier left in the state of Iowa and by approving the stop gap plan, we would have two carriers to serve Iowans which provides the choice necessary for a competitive marketplace.

This is one step closer to allowing each state to manage their health care issues rather than having the federal government provide a solution for all states.

Please consider my comments while making your decision.

We look forward to legislation out of Washington in the near future.

Respectfully,

Lynn Schreder

Health Insurance Broker in Iowa

Lynn Schreder
Owner / President



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From: Marty Berger
To: [CMS StateInnovationWaivers](#)
Subject: Iowa section 1332 waiver comments
Date: Monday, October 9, 2017 12:16:48 PM

As a health insurance agent I strongly encourage you to approve Iowa's request for stopgap measure.

We all agree it is not perfect, but it is vastly better than the current situation, while we buy some time to work out a better long term solution. Those who argue to deny this request are choosing the greater of 2 evils, not the lesser in my opinion.

This is not a scientific survey, but I estimate over half of my clients that I have talked to so far have said they will go without coverage and face the penalty rather than pay a 58% rate increase on their health insurance. Even several of those where the APTC will help mitigate the increase feel this way.

--

Marty Berger, CLU
Berger Benefit Connections
14858 West Ridge Lane, Ste 10
Dubuque, IA 52003
563-582-6313

From: George Klesel
To: [CMS StateInnovationWaivers](#)
Subject: Iowa section 1332 waiver comments
Date: Tuesday, October 10, 2017 11:02:12 AM

To whom it may concern,

I am going to retire in 2018 and there isn't an insurance option for me other than one carrier. This is the United States of America isn't it?

Choice is what we want not just what's left over. I can't believe that in this country you can work hard and save and then have all your plans sidelined by politicians. No one close to retirement can go without health insurance.

Please give us choice and have it be clear for all to understand.

Thank you,
George Klesel

From: Alicia Kraft
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver
Date: Tuesday, October 10, 2017 11:50:03 PM

Dear CMS Administrator Seema Verma & Insurance Oversight (CCIIO) Director Randy Pate,

My name is Alicia Kraft and I am a proud citizen of the state of Iowa. In 2016, I was diagnosed with breast cancer. Thankfully I had excellent medical insurance through my employment that covered so much of my treatment. However, in 2017 my position was dissolved and I lost my job. I have been paying for a COBRA policy which will take me through December of 2017.

Because of my continuing cancer treatments, it is very difficult to find another job. Now I am faced with looking into Marketplace policies, however in Iowa our options are incredibly limited - only 2 companies are involved. I am finding it very difficult to find affordable insurance that will cover my cancer doctors in Omaha, NE and won't leave my family bankrupt while we are down to one income.

Please consider the Iowa Stop Gap measure. From what I understand it would be extremely helpful to individuals in my situation. I am terrified when I think about my healthcare situation.

Alicia Kraft
Council Bluffs, IA
alicia.kraft@outlook.com

From: Diane Hall
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, October 11, 2017 10:36:45 AM

The cost of healthcare is outrageous! My premiums are expecting to increase 46% and I still have minimal coverage. I am single and a business owner and can't afford to go without insurance, but the cost is almost prohibitive. I'm glad the state of Iowa has tried to work out something so that coverage is at least available, but something has to be done about this crisis. Why can't all insurance companies sell in all markets? A larger pool and increased competition should lower rates.
Diane Hall

Diane Hall, CAS | Promotions Plus, LLC

Milo, IA 50166 | 📞: 641-942-6134 | 📱: 515-681-7232 | www.promotionsplus.biz

-

From: Brandes, Barbara
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver comments
Date: Thursday, October 12, 2017 2:39:16 PM

Dear Mr. Pate,

I understand you are looking for input on the implementation of the Iowa Stop Gap measure. Being familiar with only the generalities of the measure, I can't speak directly to it. But this I can tell you! I am an independent insurance agent in rural NW Iowa, and handle health insurance for farmers. Many of these folks have paid "through the nose" for premiums for years. Those above age 55 have paid \$20,000 to \$30,000 a year the past few years. The only option available in Iowa for under age 65 for 2018 will have individual premiums for a couple, aged 60, at \$3000/month. At \$36,000 a year, their medical premium is the average annual income of the local grain elevator employee! The wealthy can afford coverage, the low income have had coverage provided on the backs of the middle class for years, and now the middle class may have no option but to go without coverage. To those trying to protect assets for farm continuation into the next generation, that is not an option. They are between a rock and a hard place. As insurance agents, we knew that the ACA would have huge repercussions, back when it was signed into law. We gave it up to ten years to self-destruct. We had no idea it would happen this quickly! Help! We need some premium relief for hard working rural Americans. And we need it now!!

I entirely understand that this is not a "premium only" issue. The premise of Obamacare was to address health costs, as I understood it, and I don't believe that has ever been addressed. It may not be news to you, that we out here in the sticks call the Act, either "UCA" *Unaffordable Care Act*, or just "HCA", *Health Catastrophe in Action*.

Thanks,

Barb Brandes, CPSR
Olsen-Culp, Inc.
barb@ocins.net
PO Box 355
Newell, IA 50568

(712) 272-4422 Phone

(712) 272-4651 Fax

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From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa stop gap
Date: Friday, October 13, 2017 6:33:32 AM

I don't think it should be allowed. You and tRump have done your best to sabotoge the ACA so why would you help it with this. We have one insurer that stayed in Iowa. Wellmark had there chance, they blew it!!

They had a monopoly in Iowa and they want it back.

The ACA was designed to get rid of monopolies like Wellmark that would kick you off for getting sick. I know I am an agent!!

Let's get more people insured!

tRump thinks small! We have Medicare, Tricare, Medicaid, Chip, Veterans Benefits, ACA than we have all the state employee plans. Combine the money into one Medicare for all and we would save money as a nation and everyone would have care based on years of service and income!!

WHY DO I have to tell you idiots this???

Sincerely,

Michael McGuire LUTCF, CSA

From: Terri Macey
To: [CMS StateInnovationWaivers](#)
Subject: [Suspect Message: Embedded URLs have been modified] Iowa Section 1332 Waiver Comments
Date: Friday, October 13, 2017 4:29:43 PM

Please approve the stop gap measure for Iowa citizens. My beloved 30 year old daughter does not have insurance through her employer, is not eligible for subsidies, and relies on the individual insurance market. She also has pre-existing conditions.

I am begging you to allow Iowa to take the needed measures to see that Iowa citizens can afford health insurance. I am retired and lay awake at night wondering how I can possibly afford the expensive premiums that will result if this request for a waiver is denied.

Please, please, please, put human pain and suffering ahead of political wins and help the people of Iowa. Can you for a moment put yourself in my place and imagine what it is like to fear for your child's well being? 22,000 Iowans share my circumstances. Please act from your heart, and not from a desire to score political wins at the sake of heartbreak and suffering for thousands.

Sincerely,

Terri Macey
1366 Oxford Place
Iowa City, Iowa 52240

--

The fight before us must be led with compassion and song, prayer and joy, and a fire for justice that spreads far and wide.

--Taylor Brorby



Virus-free. http://secure-web.cisco.com/1c9Fd_1YyB8Uz28CXOIFnhBYiINidV-SDJH-VIXwYuumNI-Ix_3wQmzYTM4njW2-jTZAy8lv6WnGnc7EEsX5j5gpGbzW9kza_jg-BLA19Yl_HWh2Z0jLL6yF92HxSmhw_DSIFPLVp54KWG866joyf5pEW0HTjJOCnVRVde23E0FOYLULzENtWQcwYm8BqzYRjXwux9_Fz790akerL7r7CpxPhxuz1m2nBwy0slWpM7oxNMILZRSfHYKAAwV-7XBxs8w2PZ_ID5VaoFUw/http%3A%2F%2Fwww.avast.com

From: Lynn Barbier
To: [CMS StateInnovationWaivers](#)
Cc: [Jessica Stevens](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Friday, October 13, 2017 4:41:37 PM

Good Afternoon,

I am emailing to show support for the Wellmark Stop Gap Measure. I believe this will be beneficial to the people of Iowa.

Name: Lynn Barbier
Organization: Acumen Advisors
Email: lbarbier@acumenadvisors.com

Best regards,

Lynn M. Barbier, PAHM
Benefit Advisor



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West Des Moines, IA 50266

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From: Doug and Mary Harrison
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver
Date: Saturday, October 14, 2017 4:33:16 PM

Dear CMS: As a licensed IA. insurance agent I request approval of this waiver for 2018. I have looked at the Stopgap website for the state, even though deductibles will continue higher premiums will be affordable for most. As the current administration wants states to have more control on this matter and seems intent on tearing down the ACA as opposed to leading for a permanent fix this may be the only help for citizens that do not have access to group health. Sincerely , Doug Harrison, MT. Pleasant, IA. 319-931-3264.

From: Tammy Kerrigan
To: [CMS StateInnovationWaivers](#)
Subject: 1332 Waiver Comments
Date: Monday, October 16, 2017 11:19:41 AM

I am a concerned Iowan who needs Health Insurance. My husband and I are both self employed with out a substantially high income. I was born in Iowa and have never left Iowa. I have never had the need or received government assistance prior to the starting my own business in 2016.

I have 2 children in college and would really appreciate the continuation of the subsidies.

Thank you for your assistance

Tammy Kerrigan
Risk Reduction Solutions
7031 Douglas Ave.
Urbandale, Iowa 50322
515-321-4297
tammykerrigan@yahoo.com

From: Brenda Eckard
To: [CMS StateInnovationWaivers](#)
Subject: Iowa - Section 1332 Waiver Comments
Date: Monday, October 16, 2017 2:56:31 PM

To Whom It May Concern,

I am in total support of the Section 1332 Waiver that Iowa submitted for approval. I have worked in the health insurance industry for over 24 years and I have never seen the Individual market in such turmoil. My agency has hundreds of clients that are in desperate need of help retaining individual coverage, at an affordable cost. We only have 1 carrier left in Iowa, Medica. The estimated rate increases my customers will experience for 2018 (if the Stop Gap Measure is not approved) is simply unaffordable to the majority of our clients. Most of my clients have indicated that they will simply be forced to drop their coverage. I have had several people in my office in tears because they are so worried about what they are going to do for coverage in 2018.

The Section 1332 Waiver provides all Iowan's with a credit based on age, as well as income; and is a much more affordable option, that will cover more Iowans. I am extremely hopeful this Measure is approved and we will be able to offer our clients an affordable health insurance option with more than 1 carrier.

Respectfully,

Brenda Eckard
Owner/CEO

515-576-1800 | 800-657-8033 Ext 204
515-570-7602 (cell)
515-576-6666 (fax)



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From: Mary Lynch
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Monday, October 16, 2017 3:42:32 PM

I have read the waiver proposal and find it to be a conservative plan that is aligned with many of the ideas I have seen discussed in both the senate and house.

This waiver appears to provide an approach that could work in Iowa in light of the senate's inability to provide a supported approach to health care coverage nationally. In fact, this approach would allow most Iowan's to continue to be insured with minimal increases in the cost of coverage compared to the current situation where this is one insurer and premiums are much higher primarily secondary to the recent decision to discontinue CSR payments.

I support this waiver.

Mary Lynch
mjliowa@gmail.com

From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stop Gap
Date: Tuesday, October 17, 2017 2:13:15 AM

Don't approve it it will hurt my clients getting a subsidy.

Sent from [Mail](#) for Windows 10



October 17, 2017

The Honorable Eric Hargan
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Acting Secretary Hargan:

Re: Iowa Section 1332 State Innovative Waiver

The Cystic Fibrosis Foundation, which supports the research and development of cystic fibrosis (CF) therapies and represents people with CF in efforts to gain access to quality specialized health care, appreciates the opportunity to comment on Iowa's request to make significant changes to the state marketplace.

Cystic fibrosis (CF) is a life-threatening genetic disease that affects 392 people in Iowa 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. The Iowa marketplace plays an important role in ensuring access to the high-quality care and treatment people with CF need to stay healthy. As you consider the proposals included in Iowa's request, we urge you to ensure the needs of CF patients are met. Within the state's 1332 innovation waiver request, we respectfully submit our comments on the following provisions:

Standardization of plan offerings could limit choice

We understand that Iowa seeks to replace its Affordable Care Act (ACA) marketplace with the Proposed Stopgap Measure (PSM) marketplace, and appreciate the state's efforts to develop a short-term solution to provide affordable coverage. We are concerned, however, with the proposal to trim plan offerings to a single choice per insurer in the individual market, as it would eliminate an individual's ability to choose a plan with greater or less cost sharing. For many people with CF, the standard plan may not meet their needs for affordable, adequate coverage. As those with CF require more and costly care, they may want to opt for more comprehensive, robust insurance plans. This measure would deny people with CF that choice.

Continuous coverage requirement presents a barrier to access

We are pleased that Iowa has taken steps to maintain critical patient protections in the PSM, such as essential health benefits. However, we are concerned that people who wish to enroll in a PSM plan during a special enrollment period will have to prove they have maintained continuous coverage with a gap of no more than 60 days in the last 12 months or else the insurers can deny coverage. While maintaining health insurance is vitally important for people with CF, a gap in coverage should not preclude these individuals from obtaining coverage in the future. For people with CF, continuous health

care coverage is a necessity and interruptions in coverage can lead to lapses in care, irreversible lung damage, and costly hospitalizations—compromising the health and well-being of those with the disease.

Restructuring premium assistance and eliminating cost-sharing reduction payments could make coverage unaffordable for some lowans with cystic fibrosis

The CF Foundation appreciates Iowa's goal to incentivize young, healthy people to participate in the marketplace to lower premiums for all enrollees. However, we are concerned that eliminating the affordability standard when calculating premium tax credits and spreading premium assistance across a larger population, including people with incomes greater than 400% of the federal poverty level (FPL), could increase premium exposure for many low-income lowans. Restructuring premium assistance to a premium tax credit based on age and income (rather than income alone under the ACA) could decrease financial support for some lower income consumers who rely on the premium tax credits, including those with serious health care needs. In addition, the measure eliminates the ACA affordability standard and does not tie the premium tax credits to the cost of the premiums. This could render the premium tax credits useless if they do not provide enough monetary support to make coverage more affordable.

We are also concerned that the elimination of any cost-sharing protections for individuals above 200% of FPL could make coverage unaffordable for this population. We are satisfied that a supplement posted on October 5th would add sufficient protections for people between 133-200% of FPL, but people between 200-250% of FPL may receive less assistance under this plan.

We are concerned about the impact of these proposals on people with CF because we know that increased cost-sharing can create barriers to care. One in four people with CF skip or delay care or alter doses of prescribed medications due to cost concerns—twice as often as adults in the general population.¹ Moreover, people with CF with lower household incomes or high out-of-pocket costs are twice as likely to skip care.² The elimination of the CSRs, coupled with decreased premium support for some people with low incomes and high medical need, could adversely impact the CF community and increase costs for many individuals.

Establishment of a reinsurance program could provide stability to the PSM market

People with CF benefit from marketplaces with plans that are both affordable and adequate. We support the state's efforts to use reinsurance or "invisible" high risk pools to stabilize the insurance market. Based on the experience of the federal reinsurance program under the Affordable Care Act and Maine's "invisible" high risk pool, we believe this is a model that can be used to slow premium growth and protect against risk selection. The American Academy of Actuaries estimated that the federal reinsurance program reduced premiums by 10 to 14 percent in the individual market in 2014.³ An analysis of Maine's "invisible" high risk pool found that the program significantly reduced premiums in the state's individual market as well.⁴ We support the state's creation of a reinsurance program that will make coverage more affordable for individuals in the state, including people with CF, and ensure adequate plan choice in the marketplaces.

¹ CF Patient Financial Concerns Survey, 2015. Peterson-Kaiser Health System Tracker, 2015.

² CF Patient Financial Concerns Survey, 2015.

³ 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

⁴ Bagley, Nicholas et. Al. *Making Sense of "Invisible Risk Sharing"*. Brookings. (Online). April 2017. Available: <https://www.brookings.edu/blog/up-front/2017/04/12/making-sense-of-invisible-risk-sharing/>

The Cystic Fibrosis Foundation appreciates the opportunity to provide input on these important policy changes. As the health care landscape continues to evolve, we look forward to working with the state of Iowa 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 Vice President of Policy
& Advocacy
Cystic Fibrosis Foundation



Lisa Feng, DrPH
Senior Director of Policy & Advocacy
Cystic Fibrosis Foundation

From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stopgap
Date: Tuesday, October 17, 2017 6:32:57 PM

Please don't approve the stop gap program in Iowa. I have over 2160 Clients in the exchange and this would be devastating to them!!!

Thank You

Michael McGuire LUTCF, CSA

Sent from [Mail](#) for Windows 10

From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stop gap
Date: Wednesday, October 18, 2017 10:54:56 AM

Please don't approve this. It would be terrible for the low income people of iowa.

--

Michael McGuire LUTCF, CSA

From: Alison McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, October 18, 2017 11:55:26 AM

To whom it May Concern:

Please do not allow a stopgap plan in Iowa. We have one insurer in Iowa and all this will do is give most Iowans bad coverage and Wellmark will make a killing.

Thanks
Alison McGuire

From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: stop gap measure in iowa
Date: Wednesday, October 18, 2017 12:06:09 PM

To it may concern, Please do not allow Iowa to do this. It is not good for Iowa.

Sent from [Mail](#) for Windows 10

From: Mike McGuire
To: [CMS StateInnovationWaivers](#)
Subject: iowa stop gap
Date: Wednesday, October 18, 2017 12:23:18 PM

To whom it may concern, Please do not approve the iowa stop gap plan. It is bad for Iowa!

From: Mac McGuire
To: [CMS StateInnovationWaivers](#)
Date: Wednesday, October 18, 2017 1:56:05 PM

To whom it May Concern:

Please do not allow a stopgap plan in Iowa. We have one insurer in Iowa and all this will do is give most Iowans bad coverage and Wellmark will make a killing

Thanks,



COMMENTS to the Centers for Medicare & Medicaid Services, Department of Health and Human Services,

RE: Iowa's Proposal for a 1332 State Innovation Waiver

Submitted by Community Catalyst
October 18, 2017

Community Catalyst respectfully submits the following comments to the Centers for Medicare & Medicaid Services (CMS) and the Department of Health and Human Services (HHS) in response to Iowa's proposed 1332 state innovation waiver.

Community Catalyst is a national non-profit advocacy organization dedicated to quality affordable health care for all. Since 1997, Community Catalyst has been working to build the consumer and community leadership required to transform the American health system. With the belief that this transformation will happen when consumers are fully engaged and have an organized voice, Community Catalyst works in partnership with national, state and local consumer organizations, policymakers, and foundations, providing leadership and support to change the health care system so it serves everyone – especially vulnerable members of society.

We strongly urge rejection or significant modification of Iowa's 1332 waiver proposal for the following reasons:

1) Iowa did not provide sufficient information at the state level to “ensure a meaningful level of public input.”

The required state and federal public notice and comment periods are critical transparency requirements designed to ensure that stakeholders have access to important information about a waiver proposal and the opportunity to provide feedback on how the proposed changes would impact consumers, for example. During the state public comment period in Iowa, the publically available actuarial analysis lacked important details that were necessary to understand the true impact of the waiver. For example, the analyses available lacked any detail about the effect of the waiver proposal as it relates specifically to cost sharing for people under 250 percent of the federal poverty level – a population directly impacted by the proposed changes in the waiver proposal. In order for a public comment period to be meaningful, interested parties must have all of the facts to inform their approval or opposition of a waiver concept. This is a dangerous precedent to set, and CMS should consider the lack of transparency at the state level in their decision making process for this waiver and future waiver applications.

2) Iowa's waiver does not meet the statutory guardrail of providing "coverage and cost sharing protections against excessive out of pocket costs that is at least as affordable" as the title of the ACA would otherwise provide.

The Iowa waiver seeks to address affordability concerns for people with incomes above 400 percent of the federal poverty level. While this is a valid pursuit, it cannot be done to the detriment of vulnerable and low income populations. Iowa's proposal includes eliminating cost-sharing reduction payments for people between 200-250 percent of the federal poverty level. Although in a recent supplemental filing the state indicates that out-of-pocket costs for people between 150-200 percent of the poverty level will be limited, it fails to address the increased out-of-pocket costs for the remaining population of enrollees between 150-250 percent of the federal poverty level. By eliminating the cost-sharing reductions for a portion of the currently eligible population, Iowa seeks to add a new premium tax credit for individuals above 400% of the federal poverty level. The effect of this proposal will be to make coverage more affordable for people with higher incomes, but leave out-of-pocket costs unaffordable for those with the lowest incomes. This outcome violates the terms of the affordability guardrail outlined in current guidance on 1332 waivers.

We recognize that Iowa's marketplace might require policy shifts in order to obtain short and long-term stability. However, we do not believe that the only way to achieve this stability is through dramatic changes to the structure of Iowa's marketplace that would leave low income and vulnerable consumers with less affordable coverage options. For example, one place that Iowa could look to achieve stability without harming current enrollees would be to end the sale of transitional, non-compliant plans that are currently sold in the state and likely attracting younger and healthier enrollees away from the marketplace plans.

Finally, with only two weeks before the open enrollment period begins, we believe that upending Iowa's current marketplace structure with no time to educate consumers about the changes for the upcoming plan year would have a devastating impact on enrollment, and many consumers could end up with coverage that does not meet their needs.

For the reasons outlined above, we ask that CMS disapprove Iowa's waiver application as written and continue to work with the state toward changes for future plans years that meet the legal requirements for 1332 waivers to ensure that consumers in Iowa are protected.

Please contact Ashley Blackburn at ablackburn@communitycatalyst.org for questions regarding this comment letter.



Robert Restuccia
Executive Director
Community Catalyst



October 18, 2017

Submitted electronically via StateInnovationWaivers@cms.hhs.gov

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave., NW
Washington, DC 20220

Seema Verma
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Iowa Section 1332 Waiver Comments

Dear Secretary Mnuchin and Administrator Verma:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the Iowa Insurance Division's (IID's) 1332 waiver application, also known as the "Iowa Stopgap Measure," submitted to the Centers for Medicare and Medicaid Services (CMS) August 21, 2017, and preliminarily deemed complete September 19, 2017. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation's leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

ACS CAN supports a robust marketplace from which consumers can choose a health plan that best meets their needs. Access to health care is paramount for persons with cancer and survivors. In the United States, there are more than 1.7 million Americans who will be diagnosed with cancer this year.¹ An additional 15.5 million Americans living today have a history of cancer.² In Iowa alone, an estimated 17,230 Iowans are expected to be diagnosed with cancer this year and an estimated 172,030 Iowans are cancer survivors.³ For these Americans access to affordable health insurance is a matter of life or death. 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.⁴

¹ American Cancer Society, *Cancer Facts & Figures 2017*, available at <https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/annual-cancer-facts-and-figures/2017/cancer-facts-and-figures-2017.pdf>.

² *Id.*

³ *Id.*

⁴ 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>.

ACS CAN is concerned that many of the proposals put forth in the 1332 waiver request fail to meet the guardrails established under statute and thus cannot be waived by federal administrators. We are particularly concerned that the waiver's provisions to eliminate additional cost-sharing subsidies for those who qualify actually violates the statutory requirement to ensure that any waiver provides coverage at least as affordable as exists under current law.⁵

Therefore, we strongly urge the Departments to reject Parts A and B of this 1332 waiver request and consider working with the IID to implement Part C, allowing Iowa to create a reinsurance program. We note that earlier this year Alaska successfully completed a 1332 waiver to implement a reinsurance program and rates will be 26.5 percent lower compared to last year.⁶

We have strongly urged the IID to withdraw the current waiver application, continue to meet with stakeholders to begin more extensive discussions regarding what policy changes should be considered and a reasonable implementation timeframe for such changes. We believe the current waiver application cannot be implemented in time to avoid massive disruption in the individual market. We submit the following comments regarding procedure and implementation of the proposal:

Iowa Stopgap Measure Supplements

The transparency of the waiver process is critical to its overall success. Unfortunately, transparency has not been the practice with Iowa's waiver. On September 20th, one day after CMS certified the completion of the Iowa waiver application, the state filed a supplement to its waiver application. On October 5th, the state issued a second supplement superseding the first.⁷ It is unclear the extent to which this supplement changes CMS' actuarial analysis of the waiver. IID does not give assurance that the rest of the application remains unchanged in light of the supplement. Further, it is not clear whether CMS has taken the supplemental changes into account as it considers final approval of the application.

Setting aside the merits of the supplement – which are discussed in more detail below – we strongly urge HHS to refrain from considering additional supplements to Iowa's 1332 application. We also urge HHS to clarify the process for accepting (or not accepting) supplements after submission of a 1332 waiver application, and to clearly indicate on its website whether supplements have been accepted for completion.

⁵ Affordable Care Act section 1332(b)(1).

⁶ Thiessen, Mark. Alaska Sees 26 Percent Drop in Health Insurance Rates. *U.S. News & World Report*. Sept. 17, 2017. Available at <https://www.usnews.com/news/best-states/alaska/articles/2017-09-19/alaska-sees-26-percent-drop-in-health-insurance-rates>.

⁷ Iowa Stopgap Supplemental 2 (filed Oct. 5, 2017). Available at <https://iid.iowa.gov/documents/supplement-2>.

Development and Implementation Timeline

ACS CAN further urges CMS to reject Iowa's 1332 waiver because the timeline outlined in the request is unattainable before the commencement of plan year 2018. Under the process outlined in the waiver, assuming the waiver was immediately granted by HHS, between October 21st (the day after the close of the federal comment period) and November 1st (the beginning of the open enrollment period), the IID has ten days in which to design and implement the Iowa Stopgap plan, which is a fundamental change in Iowa's individual market. Insurance carriers in Iowa would also have far too little time to implement new rules and policies, create compliant plans, and enroll consumers in these plans.

Even assuming the unlikely scenario that IID accomplishes its work according to the necessary timeline, such a dramatic shift in Iowa's marketplace will result in significant consumer confusion. Large education and outreach efforts will be needed to educate consumers about their plan choices and how the Iowa Stopgap measure differs – in many cases significantly so – from coverage that is offered via healthcare.gov.

Public Education and Outreach

The 1332 waiver states that IID and the Association, through the Iowa Comprehensive Health Association (HIPIOWA), will provide information directly to consumers regarding the carriers that are participating in the marketplace. While we very much appreciate this education and outreach to consumers, we are concerned that the significant changes to the marketplace provided under this proposed waiver will require extensive education and outreach within the state to inform individuals about the new system, how it differs from the plans provided under the exchange in the past, and how the enrollment process has changed. We note that for years many consumers have enrolled in coverage through the healthcare.gov platform and eliminating this as an option for consumers to enroll would cause unnecessary consumer confusion.

We are particularly concerned that such education and outreach activities would be hampered by the fact that the proposal differs from current law. For example, the 26,848 Iowans⁸ who had been eligible for CSRs would no longer be provided these benefits in the same way. Some Iowans who currently receive CSRs would no longer be eligible for additional assistance and will need additional information about how this changes their plan options and potential affordability of using their coverage. This education and outreach would also be crucial because consumers will not be automatically re-enrolled in a plan if they were enrolled in a 2017 marketplace plan. Auto re-enrollment is a process to which some consumers have become accustomed.

Education of enrollees and potential enrollees would be challenging and would also require Iowa to undergo extensive coordination with the federal government. For example, material

⁸ Information ascertained from CMS 2017 OEP state-level public use file, available at https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/Plan_Selection_ZIP.html.

HHS and other federal agencies make available to consumers – through healthcare.gov and other efforts – would have to provide notice to individuals in Iowa of the differences in plan offerings and benefits. In addition, given the significant change in Iowa’s marketplace, additional, tailored education and outreach activities particularly to markets/areas that border other states – would need to be undertaken by both CMS as well as Departments of Insurance for bordering states to minimize confusion as Iowa’s proposal calls for significant changes to the Iowa insurance market.

We submit the following comments regarding the substance of the proposal, assuming the information in the October 5th supplement is included in the waiver submission:

A. Implementation of a Standard Plan

i. Standard Plan Benefits

Under the proposed 1332 waiver, only one plan – a silver level plan with an actuarial value requirement between 68 to 72 percent – would be available in the market. According to the proposed 1332 waiver, this plan would cover all essential health benefits (EHBs) as well as Iowa state mandates.

While we are pleased that the proposal would ensure that silver level coverage is available, we are concerned about what specific products and services will be offered by the plan. Cancer patients’ treatment generally involves several different types of specialists, including medical oncologists, radiation oncologists, surgeons, palliative care specialists, and specialties related to tumor sites and we urge the Department to ensure that the plan provides coverage for the full range of products and services needed by cancer patients.

Deductibles: Under the proposed waiver, carriers will only be permitted to offer a single, silver tier plan, with the deductible set at \$7,350 for an individual and \$14,700 for a family. While the supplement to the waiver provides some additional assistance for persons between 133-200 percent of the federal poverty level (FPL), we are gravely concerned that the proposed deductibles for individuals above 200 percent FPL would render their coverage unaffordable. Nationally, the average silver-level deductible in 2017, was \$3,703 -- \$3,647 less than the proposed deductible included in the waiver.⁹

Research is well established that higher deductibles result in a decrease in utilization of health insurance.¹⁰ While some preventive services and cancer screenings are required to be exempt from deductibles, some consumers with high deductibles still assume they will be charged in full for their preventive services and are discouraged from seeking care. One study showed that switching to a high deductible health plan (HDHP) was associated with a

⁹ Pearson CF, Carpenter E, and Sloan C. Consumer Costs Continue to Increase in 2017 Exchanges. Avalere Health. Jan 18, 2017. Available at <http://avalere.com/expertise/life-sciences/insights/consumer-costs-continue-to-increase-in-2017-exchanges>.

¹⁰ “Health Policy Brief: HighDeductible Health Plans,” Health Affairs, February 4, 2016.

downward trend in overall colorectal cancer screening rates after two years.¹¹ Higher deductibles are even more concerning for cancer patients and survivors. Once a patient is suspected of having cancer, he or she undergoes many tests that are not considered preventive services and therefore are subject to the deductible. Costs continue after the patient is diagnosed and undergoes surgery, radiation and/or chemotherapy. These costs are high, and they come fast – many cancer patients face paying their whole deductible in the first month or two after diagnosis. Being required to pay for these high costs up-front can cause delays in treatment, especially for low-income patients. Research is starting to show the negative consequences of HDHPs to cancer treatment and outcomes. One study showed that HDHP enrollment was associated with a decrease in imaging tests¹² – the tests a patient needs if she has a positive screening test for suspected cancer.

Formularies: ACS CAN is pleased that the proposed prescription drug formulary (as outlined in Appendix F of the waiver application) includes drug tiers that are subject to copayments and not coinsurance. The use of copayment allows consumers to better estimate their expected out-of-pocket costs.

At the same time, while the proposed waiver notes that each carrier's prescription drug formulary will be compliant with the essential health benefit requirements, the waiver is silent on who is responsible for making this determination. New federal regulations issued this year defer to states in completing a prescription drug formulary outlier review. We are concerned that in light of the many other tasks envisioned under the Iowa Stopgap measure, Iowa may have insufficient time and resources in which to conduct a thorough review to ensure that Iowans have access to a robust formulary to meet their medical needs.

Network adequacy: We are concerned the proposed 1332 waiver is silent regarding requirements for determination of the adequacy of a standard plan's network. For example, it is unknown what standards, if any, an issuer would have to meet in order to be able to offer a standard plan benefit. If IID does intend to have such standards, it is unclear how they could be communicated, implemented and enforced in time for plan year 2018. Cancer treatments can be varied depending on the type of cancer and stage of diagnosis and thus individuals with cancer often require an array of specialists – such as oncologists, surgeons, radiologists, and palliative care specialists – to be able to treat their disease. We urge greater clarity regarding consumers' access to specialists – including not only physicians, but facilities in which these practitioners serve their patients as well.

¹¹ Wharam JF, Graves AJ, Landon BE, Zhang F, Soumerai SB, Ross-Degnan D. Two-year trends in colorectal cancer screening after switch to a high-deductible health plan. *Med Care*. 2011 Sep;49(9):865-71. doi: 10.1097/MLR.0b013e31821b35d8.

¹² Zheng, S; Ren, ZJ; Heineke, J; Geissler, KH. Reductions in Diagnostic Imaging with High Deductible Health Plans. *Medical Care*. February 2016 - Volume 54 - Issue 2 - p 110–117. doi: 10.1097/MLR.0000000000000472.

ii. *Eligibility Requirements and Verification*

Open enrollment period: Under the proposal, Iowans who wish to purchase the plan must do so during the open enrollment period of November 1, 2017 to December 15, 2017, and must do so directly with the participating insurance carrier.

While we are pleased the 1332 waiver includes an intention by the Department to develop a standard application, we are concerned that given the time constraints, such application may not be completed in time for the open enrollment period. It is also not clear what information will be required to be provided on the application and the extent to which the application will be designed to accommodate individuals with disabilities and those with limited English proficiency.

Eligibility determination process: Under the proposal, each individual wishing to purchase health insurance coverage must first complete an application on-line. The Iowa Stopgap Measure Administrator will determine each consumer's eligibility based on reviewing and verifying the information provided. The consumer will then receive an eligibility notice via U.S. mail informing them of their eligibility determination and premium credit allocation. Consumers will only be able to enroll in coverage once they receive this unique eligibility code.

The process envisioned under the waiver is administratively complex and we fear would depress enrollment. It appears as though any Iowan who wishes to enroll in coverage must provide projected 2017 household income for the applicant and all individuals for whom coverage is sought. This requirement appears to be imposed on all potential enrollees – regardless of whether their income is significantly above the threshold for premium assistance.

The Iowa proposal eliminates the ability of a consumer to directly enroll – or even directly apply for coverage – because of the lag time between completion of the on-line form and receipt of the unique verification code. This is problematic for a number of reasons. First, while the proposed waiver notes that the state will encourage individuals to enroll at the beginning of the open enrollment period, as stated previously, the proposed waiver represents such a significant change to the marketplace that consumers may not be aware of this requirement before enrolling.

We are also concerned that the waiver assumes that all individuals who may be interested in enrolling during the open enrollment period have access to internet services and thus enrollment solely through an on-line portal may be challenging. This is a particular problem in rural Iowa, where an estimated 153,000 people do not have access to any wired internet providers.¹³

Moreover, it is not clear whether the December 15th end of the open enrollment period is the last day for an individual to complete the on-line verification form or whether the December 15th date is the last date of enrollment. We note that historically younger individuals tend to

¹³ Broadband Now. "Internet Service in Iowa." Accessed October 18, 2017. <https://broadbandnow.com/iowa>.

enroll at the end of the open enrollment period and imposing an onerous, multi-step process may discourage or simply prohibit enrollment by some younger enrollees.

We also note that the use of the U.S. mail system as a means to notify individuals of their eligibility adds an additional administrative hurdle and will delay an individual's ability to enroll. It remains unclear what would happen if an individual's eligibility notice were to be lost in the mail system. The proposed waiver makes clear that "[t]here will be no retroactive accounting to the insurance carriers for premium credits" and that any "change in a consumer's premium credit allocation will occur prospectively."¹⁴ This seems to indicate that if an enrollee were otherwise entitled to enrollment – including eligibility for premium assistance – and failed to receive her enrollment verification code, the consumer would be prohibited from enrolling in coverage and/or would be denied premium assistance through no fault of her own.

It is also unclear how long the eligibility determination will take to process. As noted in the proposed waiver, it is unclear whether Iowa will have access to the data from the Social Security Administration in order to make an eligibility determination.¹⁵ If Iowa is not granted access to this information prior to the start of the open enrollment period, one can surmise that the verification process may be significantly slower than anticipated.

If this waiver is approved, we urge IID to clarify that if an individual applies for eligibility, but is not able to enroll by December 15th, that individual be given a grace period in which to complete enrollment and still have coverage begin January 1, 2018. Otherwise, presumably that individual would have to apply again through a special enrollment period, which has additional requirements.

Direct submission to carriers: While we recognize that requiring applications to be submitted directly to the carriers provides a certain amount of administrative ease, we are concerned that this proposed policy has potential unintended consequences. It is unclear what, if any, mechanism would be implemented to mediate any issues that may arise regarding lost or incomplete applications. For example, if an individual were to submit an application to a carrier and that application were lost – whether intentionally or inadvertently – it is unclear whether the individual would be permitted a special enrollment period in order to file an application with another carrier (if applicable).

We note that specific information regarding data-sharing among agencies and carriers has not been finalized. We urge the Department to provide the opportunity for public review and comment regarding this proposal in order to determine that such data-sharing protects the privacy of information provided by the consumer in the application and also provides a mechanism for appeals in the event that there are discrepancies in the data-sharing arrangements.

¹⁴ Iowa Waiver application at 17.

¹⁵ Iowa Waiver application at 16, fnnt 35.

Lack of auto-enrollment: We are concerned that the proposed waiver would eliminate consumers' ability to be auto-enrolled into a health plan. Since 2015, individuals who have enrolled in a marketplace plan – regardless of their state – have been auto-enrolled in a plan if they fail to make an affirmative election during the open enrollment period. Indeed, both the consumer education information from [healthcare.gov](https://www.healthcare.gov/keep-or-change-plan/)¹⁶ and the National Association of Insurance Commissioners¹⁷ -- as well as countless others – have informed consumers of this fact. In 2017, 9,693 Iowans were auto-enrolled in a marketplace plan.¹⁸ Changing the auto-enrollment policy – particularly so close to the open enrollment period – could leave thousands of Iowans without health insurance coverage in 2018.

iii. Special Enrollment Period Eligibility

The proposed waiver would permit an Iowan to obtain a special enrollment period (SEP) only if the individual met one of nine specified requirements, which mirror the SEPs defined by CMS for federally facilitated marketplaces. SEPs allow individuals with qualifying life changes – like divorce, marriage, birth, a permanent move, or loss of employer-sponsored health insurance – to enroll in a plan that best meets their needs. These SEPs are vital for individuals with cancer who may often experience a job loss (and subsequent loss of employer-sponsored health insurance) if their cancer and/or cancer treatment leaves them unable to work. In addition, some individuals with cancer may have to move to a different location in order to be closer to family members who can provide necessary caregiving and/or to be closer to specialized treatment facilities to treat their specific form of cancer.

However, in addition to meeting the eligibility requirements of SEPs, Iowans under this proposal will also have to prove they have had continuous coverage for the last 12 months in order to qualify for five of the nine SEP categories. We are extremely concerned that this proposal is based on false assumptions that individuals are enrolling illegitimately via SEPs, and could make it harder for consumers to enroll in coverage through an SEP. There is limited credible evidence that enrollees are inappropriately using SEPs.

Making it harder for individuals to enroll via SEP can lead to gaps in insurance coverage, which can be detrimental to cancer patients.¹⁹ Individuals in active cancer treatment need regular access to care and services and, when that access is disrupted, the effectiveness of the treatment could be jeopardized and the individual's chance of survival could be significantly reduced. Evidence-based protocols for chemotherapy and other cancer treatments often

¹⁶ See <https://www.healthcare.gov/keep-or-change-plan/>.

¹⁷ National Association of Insurance Commissioners [State Health Exchanges: What You Need to Know to \(Re\)Enroll](http://www.naic.org/documents/consumer_alert_state_health_exchanges_what_you_need_to_know_to_reenroll.htm). Oct. 2017. Available at http://www.naic.org/documents/consumer_alert_state_health_exchanges_what_you_need_to_know_to_reenroll.htm.

¹⁸ Information ascertained from CMS 2017 OEP state-level public use file, available at https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/Plan_Selection_ZIP.html.

¹⁹ See American Cancer Society Cancer Action Network. Gaps in Coverage Are Detrimental to Cancer Patients & Survivors. Fact Sheet. January 10, 2017. Available at <https://www.acscan.org/policy-resources/gaps-coverage-are-detrimental-cancer-patients-survivors-0>.

require treatment delivery on a prescribed timeline. Interruptions to this timeline because of coverage gaps can be detrimental. A gap in coverage can also cause a fatal delay in initiation of a treatment protocol. Recent research shows that delays in the initiation of chemotherapy for breast cancer patients result in adverse health outcomes.²⁰

We are particularly concerned with the proposal that individuals who seek an SEP must apply directly to one of the insurance carriers offering coverage. It is unclear who makes the determination regarding whether an individual qualifies for an SEP. Such determination must rest solely with the IID and cannot be abdicated to the carrier, because the carrier has an incentive to deny coverage to individuals who are older, sicker, or who they think may be more expensive to insure. Allowing carriers to make this determination opens up the possibility for discrimination against individuals, as well as delays in coverage.

Continuous coverage requirement: ACS CAN also has serious concerns about the continuous coverage requirements in the proposal. Under the waiver application, any individual who qualifies for an SEP in the following circumstances – change in address; loss of eligibility for CHIP or Medicaid; experienced a plan contract violation; related domestic abuse or spousal abandonment; or experienced exceptional circumstances – must show proof that she has not been without minimum essential coverage (MEC) for more than 60 days in the immediately preceding 12 months. We are concerned this policy is overly punitive.

A one-size-fits-all approach that imposes penalties for any interruption in coverage fails to recognize the many legitimate reasons that patients have coverage gaps. Additionally, while individuals who move into the area would be permitted an SEP, an individual who may be coming from a state with a less stringent SEP policy may be unaware of the limited SEP options in Iowa. If the individual fails to enroll in coverage within 60 days, she would be locked out of enrolling until the next annual election period. This is particularly true if the move was due to job loss because under the proposed waiver the individual would have to contact her former employer to obtain evidence of coverage in order to qualify for an SEP.

In another example, even if an individual tried to enroll during this 60-day timeframe and was unable to successfully complete the process (because, for example, she failed to have the necessary paperwork from her former employer), absent clarification to the contrary, it appears as though the individual would be locked out of coverage and unable to enroll until the next annual enrollment period. There are many common reasons why a person may have an unexpected gap in coverage. Penalties imposed on people in these situations may adversely impact access to care, interrupt life-saving treatment and make insurance unaffordable when they attempt to regain coverage.

We are also concerned that the waiver application is silent regarding what standards of proof must be provided in determining proof of coverage, how those standards will be enforced on the carriers who are approving and implementing SEPs, or whether the carriers will have

²⁰ Chavez-MacGregor M, Clarke CA, Lichtensztajn DY, Giordano SH. Delayed Initiation of Adjuvant Chemotherapy Among Patients With Breast Cancer. *JAMA Oncol.* 2016;2(3):322-329. doi:10.1001/jamaoncol.2015.3856.

deadlines on how quickly they must decide on SEP applications. Restricting SEPs and requiring enrollees to document their eligibility prior to coverage will lead to gaps in coverage, which can be detrimental to an individual who needs access to cancer treatment immediately. If IID were to consider such rules, the policy should provide a review process by which an individual could obtain expedited coverage when medically necessary.

B. Age and Income-based Premium Credits

The 1332 waiver application proposes to use its share of federal expenditures originally designated for advance premium tax credits (APTCs) and cost-sharing reduction subsidies (CSRs) to provide premium tax subsidies that would differ from those provided under the Affordable Care Act.

Additional assistance needed for low-income individuals: While we appreciate that the apparent goal of the proposal is to provide additional financial assistance to individuals above 400 percent of the FPL, we are concerned that the proposal would eliminate APTCs for individuals who qualify on the basis of income. The APTCs help to ensure that lower-income Americans can afford their premiums. ACS CAN is concerned that eliminating the APTCs – without providing comparable assistance for low- to moderate-income individuals – will result in these individuals being unable to afford health insurance coverage and thus become uninsured.

We strongly urge the Department to ensure that low- to moderate-income individuals at or under 400 percent FPL continue to have access to APTCs, either by redirecting funds in the proposal to ensure this financial support, or by simply allowing plans to be sold as they would have, absent this proposal. We note that ensuring affordability is a key requirement to be able to obtain a waiver under section 1332. Absent additional policies to ensure that low- to moderate-income individuals will have access to affordable coverage options, we fail to see how the proposed waiver will meet this key requirement.

Cost-sharing reduction credits: While the application as determined to be complete by CMS is silent on the issue of additional cost-sharing reduction subsidies, the supplemental material filed on October 5th indicates that Iowa's intention is to provide additional cost-sharing credits to individuals with incomes from 133-200 percent FPL. Under the plan, individuals with incomes between 133-150 percent FPL will receive a 94 percent Actuarial Value (AV) plan with a maximum out-of-pocket limit of \$600 for individuals and \$1,200 for families. Individuals between 150-200 percent FPL will receive an 83 percent AV plan with a \$2,450 maximum out-of-pocket limit (\$4,900 for family coverage).

While we are pleased that Iowa intends to impose similar AV requirements and maximum out-of-pocket limits for individuals between 133-200 percent FPL as if these individuals were enrolled in a cost-sharing reduction (CSR) plan, we are concerned that the proposal does not hold all individuals harmless. Under current federal law, CSR plans are also available to individuals between 100-133 FPL – which is important for those unable to enroll in Medicaid, or for those whose income fluctuates between Medicaid eligibility and not. CSR plans are also

offered to individuals between 200-250 FPL, while the IID proposal does not include any cost-sharing help for these income levels. Finally, we note that CSR plans offer an 87 percent AV for incomes 151-200 percent FPL, while the IID proposal reduces the generosity of the supplemented plan to 83 percent. In all of these ways, certain Iowa residents will lose benefits under this proposal and risk challenges affording coverage and healthcare.

C. Reinsurance

The waiver proposes to implement a reinsurance program that will reimburse carriers for high cost individuals whose claims exceed \$100,000 on an annual basis. A well-designed reinsurance program can help to lower premiums and mitigate plans' risk associated with high-cost enrollees. As noted previously, Alaska's 1332 waiver is expected to result in significant premium decreases. A well-designed reinsurance program can also be relatively easy to implement, and could be implemented in time for the beginning of plan year 2018. We also note that a successful reinsurance program should reduce premiums for all enrollees – including those above the APTC threshold.

We are concerned that the proposed waiver seeks to fund the reinsurance program in part through expected CSR funding. We strongly urge the Department to remove CSRs as a funding mechanism for its reinsurance program. Any CSR funding should be dedicated to reducing cost-sharing specifically for low-income individuals (the subsidies for which are significantly reduced under this waiver compared to the subsidies provided under current law).

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. In light of the comments raised above, we believe the current waiver should be rejected – or at the very least, Parts A and B of the waiver should be rejected. We stand ready to work with you and other stakeholders to ensure that the Iowa 1332 waiver is designed in a manner that provides the long-term viability of the individual market. If you have any questions, please feel free to contact me or have your staff contact Anna Schwamlein Howard, Policy Principal, Access to and Quality of Care at Anna.Howard@cancer.org or 202-585-3261.

Sincerely,



Christopher W. Hansen
President,
American Cancer Society Cancer Action Network

From: Bruce Schmiedlin
To: [CMS StateInnovationWaivers](#)
Cc: [Representative David Young](#); [Swanson, Andy](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Wednesday, October 18, 2017 8:29:58 PM

Dear Ms. Verma and Mr. Pate:

I support the Iowa Section 1332 Waiver request with its updated supplement from October 5, 2017. It would be nice to add a provision whereby the Commissioner could use his discretion to assign an income lower than a 2017 tax return in hardship circumstances, such as a job loss, if the applicant could show good cause for treating 2017 as significantly anomalous. Note that I said “would be nice” rather than “is needed.”

The degree of my support has varied over time; my comments at the public hearing included a proposal to approve the Stopgap with the caveat that it not take effect unless Iowa had no on-Exchange options. Then, during the federal thirty-day public comment period, many things changed in both the Iowa Stopgap Plan itself and the overall federal landscape. More than once I was forced to change my partially written comments based on updated circumstances. The point in time at which I now am commenting includes:

- The updated supplement to the Iowa Stopgap plan (October 5, 2017) in which Cost Sharing Reductions (CSR) are available up to 150% and 200% of Federal Poverty Level (FPL).
- President Trump’s decision to stop 2017 CSR payments.
- Seemingly hourly changes in position as Congress is trying to decide whether to entertain a bipartisan short-term (two year) fix that would fund the CSR payments.

At this point, I can support the Iowa Stopgap Plan without the previous caveat. The supplement that added CSRs up to 200% FPL now makes this plan work well for many Iowans, including more than would have been helped with the sole on-Exchange (and sole off-Exchange) carrier. I found few theoretical detriments to individuals, and I wish to share my thought process to help CMS put other public comments in perspective as it moves towards approving Commissioner Ommen’s proposal.

As a small business owner, my wife and I use the Affordable Care Act to access health insurance. Earlier in 2017, when it appeared Iowa’s 2018 individual insurance market would be bare, we discussed having to close the business and move to Minnesota solely to have access to health insurance. I also was concerned about my small business clients, as nearly half of my clients with small businesses did not have access to employer-based plans. Thankfully, Commissioner Ommen stepped in.

I was a strong proponent of Commissioner Ommen’s initial Stopgap proposal, and his office

incorporated many of my suggestions into the Iowa Stopgap Plan submitted to CMS. However, my support later eroded simply because Medica would be available on Exchange with CSRs – a feature then lacking in the Iowa Stopgap Measure originally submitted for your review. When the first supplement added the CSR 94% actuarial value feature, I remained concerned about the harm that would be suffered just above 150% FPL where deductibles jumped seven-fold on just a dollar or two of income. The Commissioner then added the CSR 83% level from 150% up to 200% FPL. This restored the proposal to a favorable status I could support.

In a nutshell:

- Up to 200% FPL, the added CSR functionality is favorable.
- The 200% - 250% FPL outcome is neutral, where the lower net premiums generally offset the potential difference in deductibles.
- Above 250% FPL, the outcome again is favorable.
- Above 400% FPL, the outcome is significantly favorable.
- Using prior-year income rather than current-year income is neutral for most but potentially problematic for those losing jobs in 2018 or even mid-2017. The Stopgap uses “trailing income.”
- The actuarial assumptions underlying Iowa’s submission presumed that federal CSR payments would end even though on-Exchange insurers still would be required to offer those features. This relieved my concerns regarding the Stopgap’s proposed CSRs being able to continue.

Part of the difficulty with Exchange-based premium subsidies was estimating current year (2018) earnings during open enrollment and then settling up differences on the 2018 tax return. This meant that households with growing income sometimes had large tax bills, but households experiencing the trauma of job loss or unexpected disability still could get additional relief via a higher tax refund. The Iowa Stopgap Measure uses trailing income (2017) to simplify administration. This has two effects:

- Households gaining income, often through improved employment with new employer-based coverage, exit the Stopgap’s coverage and do not face higher tax bills.
- Household losing income, especially due to job loss, may have difficulty affording premiums based on their prior earnings while still employed. Fortunately, the story does not end there.

For most individuals whose trailing income was below 400% FPL, the net premiums still are low enough that they likely are better off than what they could have received on Exchange. There may be some extreme examples affecting very few individuals, if any, whose trailing income was above 400% FPL but might have current year earnings below 200% FPL; even so, the over 400% FPL rates are comparable to COBRA which their prior employer might even be

subsidizing via a severance package.

The households most at risk would be those whose training income was 251% of FPL and dropped to current year of 134% FPL. While theoretically possible to have such an income loss, it would take a coinciding major medical event to reach the full deductible – or even to have out of pocket spending above the CSR 94 level exceed what they're saving in monthly premiums versus an on Exchange plan. For the very few unfortunate enough to experience such a combination, they still are better off under the Stopgap Plan as long as per-individual out of pocket spending remains below about \$2,000. Given the copay structure of the Stopgap plan, the most plausible situation under which an unfavorable outcome could occur would be a motor vehicle crash with multiple passengers severely injured and the main income producer losing employment. Again, an incredibly small theoretical group.

I also have seen income spike in a solitary tax year due to taxable inheritances, which would be another valid situation whereby allowing the Commissioner discretion to lower the Stopgap income below their 2017 tax return would be the most expeditious way to handle such few anomalies. I doubt Commissioner Ommen would want to have them pay higher premiums on-Exchange in 2017 due to that inheritance and then reuse the 2017 anomaly to raise their 2018 Stopgap premiums.

Overall, a waiver worth approving – with or without adding the discretionary downward income adjustment.

Sincerely,

Bruce Schmiedlin

Grimes, IA 50111

bruceschmiedlin@hotmail.com

From: Patrick McGuire
To: [CMS StateInnovationWaivers](#)
Subject: U65 Iowa Stopgap
Date: Wednesday, October 18, 2017 8:38:19 PM

To whom it May Concern:

Please do not allow a stopgap plan in Iowa. We have one insurer in Iowa and all this will do is give most Iowans bad coverage and Wellmark will make a killing

Thanks,

From: Rita Bentzinger
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Thursday, October 19, 2017 8:22:04 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

PLEASE approve this measure!!

Iowa citizens deserve a choice in their health insurance providers.

Rita K Bentzinger

Master Farm Certified Agent

Warth Insurance Agency

1707 Mt Pleasant St

Burlington IA 52601-2786

P 319 753 0986

F 319 758 6698

Email rita@warthinsurance.com

Website www.warthinsurance.com



From Small to Very Large, Farm Insurance Protection That Meets Your Operation's Needs.

From: Michael McGuire
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Stop Gap
Date: Thursday, October 19, 2017 10:30:46 AM

Please don't authorize Iowa to do this. It is bad for Iowans

Thanks

--

Michael McGuire LUTCF, CSA

From: Laura Kephart
To: [CMS StateInnovationWaivers](#)
Subject: Iowa Section 1332 Waiver Comments
Date: Thursday, October 19, 2017 11:18:32 AM

Attn: Seema Verma & Randy Pate

I'm writing to encourage you to accept the Iowa Stopgap Measure. Without the stopgap I may have to go without health insurance. I'm a 54 year old and normally only go to the doctor once a year for an annual exam.

I currently have a silver plan and pay \$623/month. I checked Medica's website & the least expensive plan for 2018 is a bronze plan for \$824/month. I can't afford spending nearly \$12,000 for health insurance. I work with 4 other people in the same boat. Two are a few years older than I, and their plans would be over \$1200/month for the bronze plan. These rates are insane, and the average person can't afford the premiums.

Thank you for your consideration.

Laura Kephart
laura@lakesphc.com
809 6th Ave West
Spencer, IA 51301

Harold P. Wimmer
National President and
CEO

October 19, 2017

The Honorable Eric D. Hargan
Acting Secretary and Deputy Secretary of Health and Human Services
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Re: Iowa 1332 Waiver Iowa Stopgap Measure

Dear Acting Secretary Hargan:

The American Lung Association appreciates the opportunity to comment on the 1332 waiver submitted by the state of Iowa, the Iowa Stopgap Measure.

The American Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease, being the voice of the 32.2 million Americans who suffer from lung disease, including the 446,000 Americans in the state of Iowa. The Lung Association tracks patient access to treatment for tobacco cessation and asthma guidelines care, is on the forefront of analyzing how policies impact patient care and work to ensure lung disease patients have access to the treatment they need.

The Lung Association recognizes the challenges that Iowa's marketplace faces for the 2018 plan year and we support the goal of stabilizing the marketplace. However the proposed Iowa Stopgap Measure will shift financial assistance away from the lower income population in order to provide subsidies for higher-earning Iowans. The other unintended consequence of the Stopgap Measure will be increased out-of-pocket cost sharing, making healthcare unaffordable for some.

In March of 2017, the American Lung Association and other leading health organizations issued a [set of principles](#) to evaluate any new healthcare plan. The American Lung Association believes the Iowa Stopgap Measure will harm lung disease patients' access to care in Iowa and we urge CMS to reject this waiver application.

Advocacy Office:

1331 Pennsylvania Avenue NW, Suite 1425 North
Washington, DC 20004-1710
Ph: 202-785-3355 F: 202-452-1805

Corporate Office:

55 West Wacker Drive, Suite 1150 | Chicago, IL 60601
Ph: 312-801-7630 F: 202-452-1805 info@Lung.org

Affordability

The Stopgap Measure will increase cost-sharing for patients. While the Stopgap Measure might bring down the cost of premiums, that will almost certainly be coupled with increased cost-sharing when accessing healthcare. Patients may technically have health coverage with the Stopgap Measure, but they may not be able to access needed treatment due to high cost-sharing.

Limiting the metal levels to only silver level plans will harm patients. Lack of choice will be particularly harmful for patients with chronic conditions such as COPD and asthma. Experts¹, including [healthcare.gov](https://www.healthcare.gov)², describe how to interpret the metal tier levels for health insurance. Gold plans are touted as a better value for patients who have chronic conditions, needing expensive medications and needing to see specialists frequently. Lung disease patients often need expensive medications and need to see specialists frequently. The lack of choice of metal tier plan will increase out-of-pocket costs for patients, jeopardizing those patients' ability to receive the care they need.

The Lung Association was encouraged to see the Stopgap Measure Supplement (dated October 6, 2017) that would reduce the out-of-pocket spending for the low-income population. The vague details in the supplement suggest that lower income consumers would be insulated from the high cost-sharing; however without more detail, it is nearly impossible to accurately assess how the supplement modifies the Stopgap Measure. Based on the limited information in the supplement, it appears the plans for the low-income population will still have a less generous actuarial value (AV) than the population would have under the Affordable Care Act³. This will lead to higher out-of-pocket costs for these consumers.

Additionally there is no increased protection for families with incomes between 200 and 250 percent of the Federal Poverty Level (FPL). For an individual this is an income between \$24,130 and \$30,150/ year and \$49,200 and \$61,500 for a family of four. These families would have an annual out-of-pocket maximum of \$7,350 for an individual and \$14,700 for the family. For these lower moderate-income patients, a disease like lung cancer would quickly become unaffordable.

Adequacy

One of the core principles for any health reform proposal is that any new plan must be adequate to patients. The Stopgap Measure acknowledges that this is not the case. In the proposal, the state acknowledges that patients will have a different experience with the Stopgap Measure and the high cost-sharing associated with it. The plan says the structure encourages "consumers to utilize their primary care providers and make smart choices about their health care."⁴ This statement and the

¹Glover, Lacie. Bronze to Platinum: How Health Insurance Metal Tiers Work. *Nerd Wallet Blog*. May 24, 2016. Available online: <https://www.nerdwallet.com/blog/health/metal-tiers-health-insurance-work/>

² The 'metal' categories: Bronze, Silver, Gold & Platinum. *Healthcare.gov*. Available online: <https://www.healthcare.gov/choose-a-plan/plans-categories/>

³ Jost, Timothy. ACA Round-Up: Bipartisan Proposal To Revamp Employer Reporting Requirements And More. *Health Affairs Blog*. October 4, 2017. Available online at: <http://healthaffairs.org/blog/2017/10/04/aca-round-up-bipartisan-proposal-to-revamp-employer-reporting-requirements-and-more/>

⁴ Stopgap Measure; page 33

sentiment behind it is ignorant of the high cost of care patients with chronic lung diseases face. Smart health care choices will not bring down the cost of asthma medications or COPD treatments.

Additionally, the Lung Association asks the state of Iowa to add a preventive services tier to the formulary tier structure. There are many preventive services, including tobacco cessation treatment, that include and rely on medications. The preventive service tier level provides clear information about what treatments are included as preventive services without cost-sharing.

Accessibility

The third core principle of healthcare reform is that coverage must be accessible. The current Stopgap Measure does not allow for coverage or care that is accessible to patients. The Stopgap Measure would require some consumers to have continuous coverage as a qualification for a special enrollment period (SEP). The continuous coverage requirement can make enrollment in a health plan more difficult during an already difficult time. Without enrolling in a health plan, Iowans won't have access to key preventive services, such as tobacco cessation treatment and lung cancer screenings.

The American Lung Association is also very concerned about the impact of the \$400 emergency department (ED) co-pay. While the Stopgap Measure does have an out-of-pocket maximum to protect patients from excessive cost-sharing, the inclusion of a \$400 ED co-pay is very concerning for the Lung Association. This provision could discourage patients, including those experiencing an asthma attack, to skip the ED due to the high-cost co-pay. Patients need to be able to get treatment when they need it. We believe this provision will deter patients from seeking care they need.

The state of Iowa faces financial challenges with its health insurance marketplace for 2018. The proposed Stopgap Measure does not address these challenges the market is currently facing – it just shifts when patients pay for services, which will harm sicker and poorer Iowans. This plan is not right for patients in Iowa and there is not time to implement the plan for 2018 open enrollment beginning on November 1, 2017.

The Lung Association urges CMS to reject the proposal and work with the state of Iowa to stabilize their market without shifting costs to poorer and sicker residents. Thank you for the opportunity to comment.

Sincerely,



Harold P. Wimmer
National President and CEO

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



From: Scott Kipp
To: [CMS StateInnovationWaivers](#)
Subject: [Suspect Message: Embedded URLs have been modified] Iowa Section 1332 Waiver Comments
Date: Thursday, October 19, 2017 4:04:48 PM

I work in the health insurance industry. I work for a General Agency/wholesaler of insurance.

We have been included in the planning meetings with Wellmark and the state of Iowa regarding the Iowa Stopgap measure.

While I support the idea of the waiver, I do not feel that the state NOR the carrier is prepared to implement this for 1/1/2018. Open enrollment is too near to be changing the rules and systems without having any insurance agents exposed to or trained on the process.

It is a good idea, but the timing does not work for Iowans. This will be an operational nightmare.

Please do not approve this measure for 2018.

Thanks,
Scott Kipp
Janesville, IA
scottdkipp@gmail.com

October 19, 2017

The Honorable Eric Hargan, Acting Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Mr. Hargan:

On behalf of the more than 30 million Americans with diabetes and the 84 million more with prediabetes, the American Diabetes Association (Association) provides the following comments to the state of Iowa's application for a State Innovation Waiver under section 1332 of the Affordable Care Act (ACA).

The Association applauds Iowa's commitment to ensuring the stability of its individual health insurance market and we share the state's concerns about the ongoing "deblitat[ing]" effects of federal policy uncertainty on its market. We appreciate the importance of thinking creatively about potential solutions to ensure Iowans maintain access to a functioning individual market and agree that uncertainty at the federal level has made this task more difficult. We also recognize the state has made multiple modifications to the original proposal aimed at addressing affordability concerns raised by the Association and others during the state comment period.

However, we are still deeply concerned that the requested waiver will have significant negative effects on Iowans' access to affordable, adequate health insurance coverage and that these impacts would be felt most strongly by low-income individuals, elderly individuals, and those with serious health issues or who are at greater risk of developing such health issues, including Iowans with diabetes.

Approximately 300,365 people in Iowa, or 11.4 percent of the adult population, have diabetes. Of these, an estimated 75,000 have diabetes but do not know it, greatly increasing their health risk. In addition, 810,000 people in Iowa, 35.2 percent of the adult population, have prediabetes with blood glucose levels higher than normal but not yet high enough to be diagnosed as diabetes. Every year an estimated 13,000 people in Iowa are diagnosed with diabetes. Considering this, ensuring Iowa residents with diabetes and prediabetes have affordable access to adequate health care is a key priority for the Association. We respectfully offer the following comments addressing specific aspects of the application and supplements submitted to the Departments as of October 10, 2017.



1 in 11

Americans has
diabetes today.



Every **23 seconds**,
someone in the
United States
is diagnosed
with diabetes.

More than
18,000
youth are
diagnosed with
type 1 diabetes
every year.

Iowa's Waiver Application Does Not Comply with Federal Law Safeguards that Limit the Scope of Section 1332 Waivers

Section 1332(b)(1) of the ACA specifies that an innovation waiver application may not be granted unless the state demonstrates its proposal will (1) provide coverage that is at least as comprehensive, in terms of the scope of benefits provided, as the essential health benefits package available in the state; (2) provide coverage and cost-sharing protections against excessive out-of-pocket spending that are at least as affordable as would be provided without the waiver; (3) cover a comparable number of residents as would be covered absent the waiver; and (4) be federal deficit neutral. The first three of these “guardrails” are designed to ensure state residents are not made worse off by the state’s alternative coverage approach than they would have been under the ACA’s standard framework. Federal guidance has made clear these guardrails require a waiver application to account for the impact of its coverage changes on a state’s vulnerable residents—including low-income individuals, elderly individuals, and those with serious health issues or who are at greater risk of developing such health issues—and that an application does not meet statutory requirements if it would negatively impact these vulnerable groups.

The Association cannot support the state’s waiver application because it would make coverage less affordable for many Iowans, especially older individuals and those with lower incomes, and likely would reduce health insurance coverage among these groups, compared to conditions in the state absent the waiver. Though the state has sought to modify the final application in the midst of the notice and comment process to address some of its deficiencies, these recent submissions do not offer sufficient assurance that Iowans will be protected under the state’s new scheme.

Affordability Requirement

Iowa’s application would make coverage less affordable for thousands of its residents by eliminating the ACA’s cost-sharing reduction subsidies, which substantially lower out-of-pocket spending requirements for enrollees earning between 100 percent and 250 percent of the federal poverty level. These subsidies currently help make coverage affordable for more than 50 percent of Iowans who have purchased a health plan through the ACA marketplace. The state’s proposal to take away this cost-sharing assistance would, by its own calculations, result in thousands of dollars of additional expenses for Iowans at lower incomes. For example, the state projects that a 60-year old couple earning between 133 percent and 150 percent of the poverty level (FPL) (about \$1,800 to \$2,030 a month) would face, on average, more than \$530 in extra out-of-pocket costs each month because of the state’s plan.¹ These cost increases would make accessing needed care unaffordable for lower income residents with diabetes and prediabetes.

¹ Iowa 1332 Waiver Submission, Aug. 21, 2017, p. 32.

Furthermore, the single standard plan in Iowa’s waiver proposal lacks sufficient detail to analyze whether people with diabetes would be negatively impacted. In particular, the summary fails to include cost-sharing for services that are essential to managing and treating diabetes, including specialty care and durable medical equipment. Other commonly used services, such as hospitalization, are also absent from the summary. Without this level of detail, it is impossible to know how people with diabetes and other covered individuals will fare when compared to the cost-sharing required without the waiver.²

In addition, the waiver application appears to cut financial assistance for Iowa’s Native American population, who under federal law may be eligible for plans with zero cost-sharing. American Indians and Alaska Natives have a greater incidence of diabetes than any other racial or ethnic group in the United States and are twice as likely to die from diabetes than are non-Hispanic whites.³ The state’s proposal to eliminate the cost-sharing assistance available to these residents violates federal waiver protections and is deeply troubling to the Association.

The state, appearing to recognize the fundamental deficiencies in its proposal, has submitted during the notice and comment period a series of supplemental documents announcing its intention to create new “cost sharing credits” not contemplated by the final application submitted to the Departments. Thus, the October 6, 2017 supplement purports to modify the state’s waiver plan to include cost-sharing assistance for individuals with incomes from 133 percent to 200 percent of the FPL.

The Association believes it is essential for Iowans to receive the same level of cost-sharing assistance under a waiver program as they would have without it. The state’s proposal to provide cost-sharing credits for individuals between 133 percent and 200 percent of the FPL in its most recent supplement is a step in the right direction. However, the scant information contained in that document fails to describe adequately or provide any analysis illustrating how these late-made modifications will affect coverage affordability for lower income Iowans. The supplement also fails to reinstate zero cost-sharing plans for Native American residents and does not address out-of-pocket costs for Iowans at 200 percent to 250 percent of the poverty level, who under current law—but not the final application—also receive cost-sharing subsidies.

In addition, we note the state’s proposed tax credit does not adjust for geographic differences in premiums. Because of this design, enrollees who live in areas where the cost of health care is relatively high—in particular, rural locations—may be disadvantaged and exposed to relatively higher premiums than they would under a system, such as current federal law, that accounts for regional differences in

² Iowa 1332 Waiver Submission, Aug. 21, 2017, Appendix F.

³ Centers for Disease Control and Prevention, *Native Americans with Diabetes*, Jan. 2017, available at <https://www.cdc.gov/vitalsigns/aian-diabetes/index.html>; U.S. Department of Health and Human Services Office of Minority Health, *Diabetes and American Indians/Alaska Natives*, May 2016, available at <https://minorityhealth.hhs.gov/omh/browse.aspx?vl=4&vlid=33>.

insurance costs. Finally, it appears that income eligibility for the state’s tax credit will be based on projected 2017 household income, but will not adjust to reflect changes in an enrollee’s actual income during the 2018 plan year. Accordingly, an individual who experiences a significant reduction in earnings in 2018—due, for example, to job loss—would be unable to have their financial assistance adjusted to reflect their true income, as would occur under the current framework. This design decision effectively penalizes lowans who experience a hardship resulting in lower earnings (as well as conferring a windfall on those residents whose incomes increase in 2018).

Coverage Requirement

A section 1332 waiver application must demonstrate that at least a comparable number of state residents will have insurance coverage under the waiver as would be insured without it and must account for the effects on enrollment across different groups of residents, especially including vulnerable populations. Iowa’s final application specifically declines to include any assessment of the effects of its sweeping provisions on coverage for vulnerable populations within the state.⁴ At the same time, its optimistic projections of aggregate enrollment under the final application offer little confidence when set against design decisions embedded within the waiver plan that appear more likely to raise the number of uninsured than lower it.

As discussed above, Iowa’s final application would make health insurance much less affordable for many residents, in particular the majority of ACA marketplace enrollees who are currently receiving cost-sharing reduction subsidies but would not under the final application. Strikingly, the actuarial analysis submitted by the state in support of the final application builds from the baseline assumption that reducing coverage affordability in this way will have *no effect* on enrollment among the current subsidy-eligible population.⁵ Yet, it is likely some of those who are now insured with federal financial assistance would decline to enroll in coverage that, under the final application, would be far less affordable.⁶

The state has attempted to remedy this in the supplements to the final application submitted to the Departments by proposing cost-sharing assistance for individuals at lower incomes, which likely would reduce the incentive for these lowans to forgo coverage. However, the state did not provide any analysis of the impact the proposed modifications will have on affordability and enrollment. The Association recommends the Departments conduct their own assessment of the impact Iowa’s proposals will have on coverage since the state’s projections do not fully align with outcomes likely to result from the changes proposed. For example, the final application anticipates the vast majority of existing individual market enrollees—all but approximately 4,000 to 6,000 of the currently enrolled—would retain coverage under the waiver even though the program eliminates automatic enrollment and would

⁴ Iowa 1332 Waiver Submission, Aug. 21, 2017, Appendix A, pp. 5, 14.

⁵ Iowa 1332 Waiver Submission, Aug. 21, 2017, p. 35 and Appendix A, pp. 16, 30.

⁶ Iowa 1332 Waiver Submission, Aug. 21, 2017, p. 35 and Appendix A, pp. 16, 30.

require tens of thousands of lowans to navigate successfully a new coverage program within six weeks of its creation and roll-out.

In addition, the final application proposes an unprecedented continuous coverage requirement applicable to special enrollments and reduces the availability of special enrollment opportunities enumerated by federal regulations. We are deeply concerned these proposals contravene federal statutory protections regarding guaranteed availability of coverage, which are not waivable under section 1332.⁷ If implemented, the proposed changes that are likely to reduce affordability and enrollment in the individual market will be compounded by making it even more difficult to obtain coverage when lowans experience life changes.

Iowa's Proposal Does Not Satisfy Federal Requirements Intended to Ensure a Waiver Application Has Received Timely and Meaningful Input from the Public and Stakeholders

Requirement to Enact a State Law

A section 1332 waiver application may not be granted if the state has not enacted a law that “provides for State actions under a waiver under this section, including the implementation of the State plan” described in its application.⁸ Iowa argues this legal requirement is satisfied by (1) general statutory authority that allows the state’s insurance commissioner to “promulgate administrative rules to effectuate the insurance provisions” of the ACA; and (2) an approximately 20-year-old state provision that established the nonprofit Iowa individual health benefit reinsurance association.⁹ Neither of these authorities contemplates the development, submission, or implementation of a waiver under section 1332, as required by federal law. For this reason, the final application should be disapproved.

The state further suggests, in the alternative, that federal officials might waive the statutory requirement to enact a law in this particular case.¹⁰ There is, however, no legal basis on which such a request could be granted and it should be denied.

Notice and Comment Requirement

Section 1332 contains numerous requirements designed to ensure a state’s waiver application has resulted from a transparent and deliberative process that drew upon meaningful public input and stakeholder consultation. Though Iowa forthrightly recognizes these procedural safeguards make section 1332 an awkward mechanism for the kind of accelerated crisis management the state suggests is necessary to undertake, we appreciate the desire by state officials to proceed quickly to realize the

⁷ 42 U.S.C. § 300gg-1.

⁸ 42 U.S.C. § 18052(b)(2).

⁹ Iowa 1332 Waiver Submission, Aug. 21, 2017, p. 9.

¹⁰ Iowa 1332 Waiver Submission, Aug. 21, 2017, Appendix E, p. 2.

shared goal of providing stability to the state’s individual market and coverage to the consumers it serves.

Unfortunately, the path the state has taken with this waiver application has made it more difficult for the public and stakeholders to understand how the significant changes it proposes would affect lowans’ access to affordable coverage. For example, the draft application released for public comment at the state level in July did not include the deductible Iowa was proposing and provided only a general example of how the state’s new premium tax credit might work (the dollar values used in this example, the application noted, should not be relied on).¹¹ That draft also lacked the actuarial and economic analysis required by federal law to demonstrate that the proposed program would not harm state residents. This critical document—which, as noted above, fails to analyze the effects of the waiver proposal on Iowa’s vulnerable residents—was released to the public less than a week before the close of the state comment period.

Conclusion

While we share Iowa’s commitment to ensuring the stability of its individual health insurance market and appreciate revisions to the application that appear to make substantial improvements, we believe the application lacks the necessary detail and analysis to confirm lowans will not be negatively impacted. For these reasons, Iowa’s waiver application does not comply with federal law protections governing waivers under section 1332 and we respectfully recommend the state’s application be disapproved in its current form.

Thank you for the opportunity to provide our input on the state of Iowa’s Section 1332 Waiver application. If you have any questions, please contact Krista Maier, JD, Interim Vice President of Public Policy at KMaier@diabetes.org or 703-253-4365.

Sincerely,



LaShawn McIver, MD, MPH
Senior Vice President, Government Affairs & Advocacy
American Diabetes Association

¹¹ Iowa Stopgap Measure Draft, July 13, 2017, p. 15.

From: Charles Bruner
To: [CMS StateInnovationWaivers](#)
Subject: comments on Iowa 1332 waiver
Date: Thursday, October 19, 2017 4:55:44 PM

Attached are my comments on Iowa's 332 waiver proposal.

Charles Bruner (bruner@childequity).



1411 K Street NW, Suite 400
Washington, DC 20005

October 19, 2017

The Honorable Seema Verma
Administrator
Center for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445-G
200 Independence Avenue, S.W.
Washington, DC 20201

Re: Iowa Section 1332 Waiver Comments

Dear Administrator Verma:

As an organization committed to expanding economic opportunity for young adults, Young Invincibles is gravely concerned about the latest version of the Iowa Stopgap Measure (ISM), the state's 1332 waiver proposal, because it fails to adhere to statutory guardrails outlined in the Patient Protection and Affordable Care Act (ACA). Specifically, we are concerned that the ISM violates the ACA's guardrails in three main ways: by reducing the number of Iowans with health insurance, making coverage less affordable for consumers, and adding to the federal deficit.

Furthermore, given the state amended its waiver proposal in the middle of the Federal public notice and comment period, we are also extremely troubled that the state's amended 1332 waiver deprives the public of being able to sufficiently review and comment on the final proposal.

Comparable Coverage Estimates

Young people are already less likely to receive personal enrollment assistance or know about the health insurance marketplace,¹ yet the ISM proposes to make the health insurance enrollment process harder, not easier, for consumers. First, the plan would end auto-enrollment for plans purchased in 2017 and force consumers to re-enroll for 2018 coverage.² Second, the process for enrolling in the marketplace would be far more complicated than it is currently. Enrollees would have to visit a state website that is not currently functional to determine enrollment eligibility, wait up to 10 business days to receive authorization and an eligibility code needed to enroll, and then work directly with an insurance carrier or agent to enroll.³ Third, Iowa proposes making the special enrollment process more restrictive, which will likely disproportionately reduce young adult enrollment.⁴ We believe this onerous enrollment process is likely to lead to higher numbers of uninsured Iowans, particularly among young and healthy consumers who would be less inclined to navigate the enrollment process than sick Iowans, and ultimately a worse risk pool. In increasing the number of uninsured Iowans, ISM would violate the ACA's guardrail to provide coverage to at least as many residents.

Affordability

The ISM fails to comply with the ACA's affordability guardrail by eliminating low-deductible plan options, thereby increasing out-of-pocket costs for consumers who rely on richer metal plans and their greater cost-sharing protections. This is particularly true for next year, given that Medica developed its 2018 rates for silver plans in a way

¹ S. R. Collins, M. Z. Gunja, M. M. Doty, and S. Beutel, "Who Are the Remaining Uninsured and Why Haven't They Signed Up for Coverage?", The Commonwealth Fund, August 2016, <http://www.commonwealthfund.org/publications/issue-briefs/2016/aug/who-are-the-remaining-uninsured>

² Iowa's Section 1332 State Innovation Waiver, 21, Center for Medicare and Medicaid Services, September 2017, <https://iid.iowa.gov/documents/state-of-iowa-1332-waiver-submission>

³ Ibid., 21 & 45.

⁴ Ibid., 18-19.; Young Invincibles, *Restricting Special Enrollment Periods Could Hurt Young Adults – and the Health Insurance Marketplaces*, (Washington, DC: 2016), <http://younginvincibles.org/wp-content/uploads/2017/06/SEP-Issue-Brief-FINAL.pdf>

that assumed that cost-sharing reductions would not be paid.⁵ Because federal premium tax credits are based on premiums for the second lowest cost silver plan, many subsidized Iowa consumers would opt to purchase gold plan coverage in 2018 with greater out-of-pocket spending protections for what might be less than the cost of silver plan coverage last year.⁶ ISM would eliminate all plan options other than silver plans, forcing individuals who would have enrolled in gold and platinum plans into plans with much greater out-of-pocket costs (ISM's individual deductible is \$7,350 a year).⁷ Iowa's affordability test fails to account for additional cost-sharing consumers enrolled in higher metal plans would realize under ISM.⁸ These higher out-of-pocket costs could deter people from seeking the care they need and result in higher health care costs for everyone.

Additionally, flaws in the ISM's premium tax credit structure could negatively affect plan affordability for young consumers. First, the flat, age-based premium assistance model is static and does not reflect fluctuations in premium costs as the ACA does.⁹ Second, lower sticker price premiums are not a silver bullet for ensuring health care is affordable for our young, cash-strapped generation. Iowa notes in its waiver application that it can reduce premium tax credits for individuals if premiums are lower than the state anticipated in its application, however it does not make clear how adjustments to financial assistance could impact consumer's net premium costs.¹⁰ For instance, if Iowa's waiver proposal overestimated the monthly premium for a 29-year-old Iowan by \$18 for 2018 (for a monthly premium of \$390), the state would reduce tax credits for this same consumer earning 175 percent of the Federal Poverty Level from \$393 to a lower arbitrary amount.¹¹ Given the lack of guidance for adjusting consumer's monthly credits, the ISM Administrator could decide to reduce the estimated monthly credit for this consumer by \$78 or more, which would make the plan's net premium more expensive than under the ACA.¹² Due to this uncertainty on premium costs and higher cost-sharing requirements for some consumers under the ISM, the proposal fails to adhere to the Section 1332 guardrail that plans be as affordable as plans structured under the ACA.

Budget Neutrality

Finally, Iowa's current cost projection of its waiver includes significant holes. The state does not account for lost revenue resulting from eliminating the individual and employer mandate fees. The state's waiver narrative and cost estimate also do not accurately reflect the actuarial projections developed in the NovaRest report.¹³ Further, the plan lacks sufficient information to fully understand the impact of the waiver on consumers, the state's insurance market, and the federal deficit. These details are critical when considering whether the state's waiver application is in compliance with the ACA's Section 1332 guardrails.

The Iowa Stopgap Measure would violate federal law and exacerbate problems with Iowa's individual insurance market, not fix them. It must be rejected in its current form.

Young Invincibles

⁵ Ibid., 31.

⁶ Jost, Tim. "Terminating CSR Payments Would Increase Deficits, CBO Finds", *Health Affairs*, August 2017, <http://healthaffairs.org/blog/2017/08/15/terminating-csr-payments-would-increase-deficits-cbo-finds/>.

⁷ Iowa's Section 1332 State Innovation Waiver, 138, Center for Medicare and Medicaid Services, September 2017, <https://iid.iowa.gov/documents/state-of-iowa-1332-waiver-submission>.

⁸ Ibid., 36-37.

⁹ Ibid., 24-27.

¹⁰ Ibid., 26.

¹¹ Ibid., 26, 37, 97 & 98.

¹² Ibid. 38.

¹³ Ibid., 45 & 107; Iowa Stopgap Measure Supplement (updated 10/6/17 supersedes 9/20/20 version), 3, Center for Medicare and Medicaid Services, October 2017, https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/iowas-1332-Waiver-Stopgap-Measure-Supplement-1-Updated_10-05-2017.pdf.



October 19, 2017

DELIVERED ELECTRONICALLY

The Honorable Eric Hargan, Acting Secretary
U.S. Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W. Washington, DC 20201
Washington, DC 20201

RE: Proposed 1332 “Iowa Stopgap Measure” waiver

Dear Secretary Hargan:

The Service Employees International Union (SEIU) respectfully provides the following comments on the application for a 1332 waiver recently submitted by the state of Iowa and certified final on September 19, 2017.

SEIU represents 2.2 million workers advocating to improve their lives and the services they provide. SEIU is the largest healthcare union with more than 1.2 million members in the field, including nurses, doctors, technical and service workers, nursing home workers, and home care workers. SEIU is also the largest property services union, representing 225,000 members in the building cleaning and security industries, and is the second largest public services union. In Iowa our members include thousands of workers who provide frontline health services.

SEIU strongly supported passage of the Affordable Care Act (ACA), which has provided new insurance coverage for millions of people, including some 132,000 Iowans. We continue to support activities to implement the law in a way that protects low-income and working families, and aims to control costs in order to ensure continued viability of the law. This broad interest, along with more specific concerns on the behalf of our Iowa members who both provide health services and may also rely on ACA health coverage, forms the basis and framework for our comments. We believe that the ACA’s 1332 waiver option should be used as it was intended—to develop state-specific innovative programs that ensure the same level, or better, coverage as under the ACA, and we also believe that 1332 waivers can provide a useful tool for smaller state fixes that improve implementation of the law. Unfortunately, Iowa’s proposal would do neither, and it is also hard to see—as we discuss in our comments—how it complies with the statutory and regulatory requirements that are designed to protect consumers. In its present form, the waiver proposal would undo key protections without improving coverage, and we urge you to reject the proposal. A discussion of our concerns follows below.

The Iowa Proposal

Section 1332 of the ACA allows states to waive a set of key provisions of the law in order to develop innovative health programs, as long as these programs comply with “guardrail” protections that require that coverage under the waiver be as affordable and

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comprehensive, and cover as many people, as under the ACA, and as long as state programs do not add to the federal deficit. Subsequent guidance specified that affordability and coverage requirements must be met on a sub-population level for low-income populations and people with serious health issues—in other words, if a waiver lowers costs for everyone in a state on average, but increases them for low-income people or people with chronic illnesses, it should not be approved (pending bi-partisan legislation would amend §1332 to codify this provision of the guidance). More recently, the Secretary of Health and Human Services (HHS) advised states in March that 1332 waivers offer a way to make specific changes, in particular setting up reinsurance programs, to help stabilize the individual market and encourage carriers to offer coverage.

While Iowa's proposal indicates that the state intends it to be a short-term fix to an immediate problem (i.e., high premium increases and loss of carriers from the market), and while it does include a reinsurance component, the waiver plan goes well beyond the immediate fix envisioned in the HHS letter and proposes the creation of an entirely new coverage program. It would replace ACA coverage with a single, standard plan that would include a deductible of \$7,350 for an individual and \$14,700 for a family plan. Enrollees would receive a flat "credit" (i.e., a subsidy) against premium costs, with the amount based loosely on income and age and available to consumers at all income levels, in contrast to the present system in which enrollee contribution is directly linked to income (and older people are held harmless for higher premium costs) and eligibility for subsidies is capped at 400% FPL. Iowa initially planned to entirely end cost-sharing reduction payments (CSRs) that protect consumers from high out-of-pocket expenditures, further lowering their overall costs, but has since amended the proposal to provide these payments for a some, but not all, of the people who would receive them under the ACA. The state would pay for its program with dollars that would otherwise have come to the state in the form of tax credits for ACA plans, diverting a portion of the funding to a reinsurance program designed to lower overall premium costs for all enrollees. Given the broad scope of the plan, it is especially important that HHS ensure that it complies with both the substantive guardrail protections and the procedural requirements concerning data submission, transparency, and stakeholder involvement. In our view, Iowa's waiver proposal fails to meet the 1332 requirements in several areas and approval of the waiver in its current form poses a threat to low- and moderate-income Iowans who have gained coverage under the ACA.

Iowa's Proposal Violates 1332 Guardrails and Will Harm Vulnerable Populations

Iowa's proposal suggests that nearly everyone will pay lower premiums, but this claim appears to be based partly on overly dire assumptions about projected premium costs without the waiver, and it ignores the effect of the proposed deductible amount, which will increase costs for some consumers. Increased costs, along with proposed changes in enrollment and eligibility processes, are likely to lead to a loss of coverage.

Affordability

Under the waiver, all plan enrollees will become subject to a deductible amount that is roughly twice the national average for ACA plans. The state's two waiver amendments restoring some level of cost-sharing reduction payments (CSRs) implicitly acknowledge this problem and address it to some extent, but the waiver plan still would reduce affordability by eliminating cost-sharing reductions for individuals with incomes from 200% to 250% of the Federal Poverty Level (FPL), as well as American Indians at all income levels who are eligible for zero cost-sharing, and by reducing cost-sharing protections for people with incomes from 150% to 200% FPL. Individuals who use hospital care, need specialty drugs, or have a chronic or high-cost condition would experience sharp increases in what they must pay under the Iowa plan. The proposal also ignores the fact that ACA tax credits, while based on the cost of a silver-level plan, can be used to purchase coverage at other metal levels. The state assumes that Medica will increase silver plan premiums in 2018 to account for potential loss of CSRs, but then ignores the fact that this change

would allow consumers to purchase gold-level plans at a lower cost, increasing affordability and access to low-deductible plans.

Coverage

While the state acknowledges that it expects some 6,000 people to lose health coverage, it assumes that everyone eligible for a credit and currently enrolled in ACA coverage will continue to be covered under the waiver. Given the potential loss of affordability for a subset of the population, this seems highly unlikely. Moreover, other waiver provisions are likely to further reduce access to, and participation in, health insurance coverage. For instance, the state proposes to narrow the rules for Special Enrollment Periods (SEPs) and to link eligibility for many of them to a continuous coverage requirement, and also plans to require all current ACA plan enrollees to newly enroll in the one plan provided under the waiver, with no automatic renewal as would occur under the ACA. Both of these provisions will result in confusion and a drop in the number of people covered under the new program.

In other words, the waiver proposal is likely to result in both increased costs for vulnerable populations and a loss of coverage compared to what would occur under the ACA, and thus it not only violates the 1332 guardrails, but will endanger the health and well-being of people who rely on ACA coverage.

Iowa's Proposal Does Not Comply with Key Procedural Requirements

Section 1332 requires that states seeking an innovation waiver pass a state law to implement waiver provisions, although subsequent guidance allows states to bypass this requirement if state law provides relevant agencies with authority to implement such provisions. It also requires states to solicit public comment before submitting a waiver application, and to provide analyses that demonstrate compliance with 1332 substantive requirements. Iowa has not enacted such legislation, and instead claims that existing law and regulations provide the necessary authority, but this is not the case, as the relevant sections of state code cited simply provide authority to promulgate rules to implement ACA provisions, not to waive them. The state also held a truncated public comment process (after initially submitting an application with no public comment process at all). The state suggests that some procedural requirements should be waived, and asks for an expedited approval process, based on the fact that the waiver is meant to address an immediate crisis, but as noted elsewhere in our comments the proposal goes well beyond what would be necessary to simply address that crisis. Given the policy and economic significance of the proposal, and its potential impact on the lives of thousands of Iowans, it is crucial that the waiver process be as transparent as possible, with ample opportunity for input from state legislators, providers and other affected stakeholders, as well as ordinary citizens.

Iowa's Proposal Is a Poor Deal for Providers and Taxpayers

As discussed above, the state suggests that it can both reallocate federal dollars to a reinsurance program and provide subsidies to a much wider group (i.e., people of all income levels without access to employer insurance) than is currently the case without unduly harming current enrollees. If this sounds too good to be true, it probably is. An immediate result of the loss of coverage expected under the waiver will likely be an increase in uncompensated care at hospitals and other providers, which saw significant declines in uncompensated care cases following ACA implementation, putting new pressure on their bottom lines. Likewise, the cost shift—in the form of higher deductibles—to lower income consumers who may struggle to pay them is also likely to result in increased uncollectible debt and related costs for hospitals that have seen improvements in this area thanks to the ACA. Furthermore, Iowa's application appears to suggest that the pass-through federal funding commensurate with the aggregate amount of tax credits that would have been paid under the ACA may be insufficient to cover program costs, particularly if enrollment is higher than expected (because subsidies are now available to middle- and upper-income people). The state suggests that, if this is the case, the federal government should pay the higher costs. This clearly

violates the requirement that a waiver not increase the federal deficit—indeed, it seems likely that the only way the plan will not increase the federal deficit is if it results in an increase in uninsured.

Iowa’s Proposal is Overly Complex and Cannot Be Implemented in a Timely Manner

The waiver proposal entails creation of an entirely new coverage program, including the creation by the state of new eligibility review and verification processes, new enrollment processes, and a new process for delivery subsidies to plans. As many advocates have noted, even if CMS did approve this proposal on an expedited timeline, there is really not enough time for implementation of what amounts to an entirely new subsidy system, and a switch of thousands of consumers to new plans, that would need to go live in December. It is also unclear whether systems have been tested and what the state’s procurement process has been. Both the complexity of the plan and the short timeline mean that even if HHS were to approve the proposal on an expedited time line, the actual implementation could be chaotic, resulting in further barriers to coverage.

Finally, it is worth noting that while Iowa presents its plan as the only way to stabilize the market and address premium cost issues, the waiver process has actually been a distraction from alternative steps both the federal government and Iowa could be taking to make its market more stable and coverage more affordable for unsubsidized consumers. For instance, the state could narrow its proposal and simply create a reinsurance program (an approach taken by Alaska and some other states), and the state could also take actions to address the risk pool challenges that are driving cost increases by requiring currently grandfathered plans to comply with ACA rules. Action by the federal government to fund CSR payments is also a crucial, and much simpler, step towards stabilizing the Iowa insurance market.

Looking beyond this immediate proposal, we believe that bigger policy changes are needed to address the issue of providing quality care to all Iowans and all Americans in the future. That debate will unfold in Congress and in the states over the next few years around universal health care and expanding public options for coverage. In the meantime, Iowa should not endanger quality care for thousands of our citizens with this flawed waiver plan.

Sincerely,



Arun Ivatury
Director of Policy
Service Employees International Union



October 19, 2017

Seema Verma
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Verma:

The American College of Physicians appreciates the opportunity to comment on the Iowa Stopgap Measure 1332 Waiver proposal. The American College of Physicians is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 152,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

ACP is encouraged by Iowa's effort to stabilize its marketplace in the face of confusion over whether cost-sharing reductions will be funded, the individual mandate will be enforced, and whether outreach and enrollment promotion campaigns will be sufficient to encourage marketplace enrollment. Medica, the only carrier currently committed to selling marketplace-based individual market insurance in Iowa in 2018, has proposed a 56% premium increase in part because of uncertainty over long-term funding of cost sharing reduction payments (i). Carriers in other states have raised premiums due to concerns the individual mandate will not be enforced (ii). By cutting funding to outreach and promotion initiatives and continuously calling for repeal of the Affordable Care Act, the Administration has shown questionable commitment to ensuring consumers have access to a variety of affordable and comprehensive health insurance options. We reiterate our recommendations that cost-sharing reduction payments be funded, the individual mandate enforced, and sufficient financial resources be provided to outreach and promotion efforts, especially since the 2018 open enrollment period has been shortened.

The Iowa Stopgap Measure would redirect advance premium tax credit funds to a reinsurance program and create a per-member, per-month premium credits adjusted for age and income. Consumers would

purchase a standardized individual market insurance plan directly from the carrier, rather than through the marketplace.

Timeframe

The 180 day period to consider the Iowa Insurance Department (IID's) waiver application is not feasible given the tight time frame. ACP concurs with IID that an expedited waiver review process is necessary since open enrollment begins on November 1, 2017. The public comment period ends on October 19, 2017, leaving the agency less than 2 weeks to evaluate comments and promulgate its decision on whether or not the waiver is approved.

Affordability Guardrail

Iowa requests a waiver to replace the existing premium tax credit with flat, age- and income-based, per-member, per-month premium subsidies to purchase a standard plan and to fund a reinsurance program. We are concerned that the flat, per-member, per-month subsidy would not be sufficient to make insurance affordable, especially to low-income individuals and those residing in high-cost areas. The analysis of the American Health Care Act, an Affordable Care Act repeal bill, found that flat tax credits adjusted for age and income would be less favorable for people who are older, lower-income, and reside in areas with high insurance costs. An analysis by RAND, however, concluded that the ISM would reduce premiums (iii).

Additionally, CSR payments would be used to subsidize the per-member, per-month payment rather than reduce cost-sharing for lower-income enrollees as intended under current law. This is especially concerning since the standard plan deductible is \$7,350 for an individual and \$14,700 for a family, reflecting the law's out-of-pocket limits. This deductible is far higher than the average combined medical deductible for a silver tier plan (iv). Reducing eligibility for CSRs to 133% to 200%, as proposed in the waiver amendment, could render standard plan insurance useless for lower-income individuals previously eligible for CSRs (i.e., people with income in the 200-250% range) who would be unable to meet the high deductible. ACP is concerned that this provision may violate the requirement that 1332 waivers provide coverage that is at least as affordable, taking into account both premiums and excessive cost sharing, as under current law. It is also unclear how premiums will be affected by the restoration of CSRs for the 133%-200% FPL population, as outlined in the October 5, 2017 waiver supplement.

Scope of Coverage Comparability Guardrail

The IID proposal seeks to waive 42 U.S.C. §18022(d) to establish a single, standard plan similar to a silver-tier plan with a 68% to 72% actuarial value. The standard plan will only be available outside of the Exchange. Many lowans are currently enrolled in Bronze and Gold metal tier plans; according to Kaiser Family Foundation, nearly 13,700 people were enrolled in Bronze plans and nearly 3,000 were enrolled in Gold plans. Those transitioning from Gold tier plans to the standard plan may experience financial disruption since the actuarial value of the standard plan is less generous than that of the Gold. Consumers who are willing to pay a higher premium to purchase a more generous Gold metal tier plan with lower cost sharing will not have the opportunity to do so. It is also unclear if the standard plan will be required to abide other qualified health plan standards, including regulations related to essential community providers and network adequacy rules. This is a concern, as some issuers in Iowa are offering narrow network plans that may reduce provide choice and sever existing physician-patient relationships (v).

ACP is concerned that the eligibility determination and enrollment process is vastly different than the ACA. The proposal would require the state to set up its own system to determine eligibility and inform consumers of eligibility determinations through the U.S. Mail. This seems redundant given the existing www.healthcare.gov website has been enrolling lowans in health coverage since 2014. It may also be confusing to consumers who have experience enrolling through the existing system.

ACP appreciates the IID's efforts to stabilize the individual insurance market and applaud aspects of the proposal, such as the establishment of a reinsurance program. However, we are concerned that the ISM may result an increase in the number of uninsured and coverage that is unaffordable, especially for those with modest incomes who would be eligible for CSRs.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Ende", with a long horizontal flourish extending to the right.

Jack Ende, MD, MACP
President

ⁱ <http://www.startribune.com/medica-is-lone-insurer-in-iowa-nebraska-individual-markets/448560243/>

ⁱⁱ <https://www.kff.org/health-reform/issue-brief/an-early-look-at-2018-premium-changes-and-insurer-participation-on-aca-exchanges/>

ⁱⁱⁱ https://www.rand.org/pubs/research_reports/RR2228.html

^{iv} <https://www.kff.org/health-reform/issue-brief/impact-of-cost-sharing-reductions-on-deductibles-and-out-of-pocket-limits/>

^v <http://www.desmoinesregister.com/story/news/health/2016/09/27/wellmark-trims-broad-network-health-insurance-options/91184774/>



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Rose Marie Robertson, MD, FAHA

October 19, 2017

The Honorable Eric D. Hargan
Acting Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

Dear Acting Secretary Hargan,

On behalf of the American Heart Association (AHA) and the American Stroke Association, I would like to thank you for the opportunity to provide comments on the proposed Iowa Insurance Division's Stopgap Measure (1332 waiver request). The AHA is the nation's oldest and largest non-profit, non-partisan organization dedicated to fighting heart disease and stroke. In order to help Americans live longer, healthier lives we evaluate changes to our current health care programs based on how they impact patient access to affordable and adequate healthcare coverage. Our association, which represents over 100 million Americans with cardiovascular disease, writes to express our significant concerns about elements of your waiver request.

Iowa has the 12th highest adult obesity rate in the nation, according to *The State of Obesity: Better Policies for a Healthier America* released September 2016.¹ Iowa's adult obesity rate is currently 32.1 percent, up from 20.9 percent in 2000 and from 12.2 percent in 1990. Obesity is linked to many chronic diseases, including heart disease and stroke. In 2015, 41.5% (102.7 million) of the U.S. population had at least one cardiovascular disease (CVD) related condition.² In 2015 heart disease was the number one killer in Iowa while stroke was the number five.

The connection between health insurance and health outcomes is clear

¹ Trust for America's Health. *State of Obesity: Better Policies for a Healthier America* for 2016. September 2016. Accessed October 19, 2017 at: <http://healthyamericans.org/assets/files/TFAH-2016-ObesityReport-Fnl.pdf>

² American Heart Association. *Cardiovascular Disease: A Costly Burden for America, Projections Through 2035*. Accessed October 19, 2017 at: http://www.heart.org/idc/groups/heart-public/@wcm/@adv/documents/downloadable/ucm_491543.pdf.

and well documented. Americans with CVD who are underinsured or do not have access to health insurance, have higher mortality rates³ and poorer blood pressure control than their insured counterparts.⁴ Uninsured stroke patients also suffer from greater neurological impairments, longer hospital stays⁵, and higher risk of death than similar patients with adequate coverage.⁶ Uninsured and underinsured patients are more likely to delay seeking medical care during an acute heart attack.⁷

In addition to the potential detrimental impacts of the waiver on patients with CVD, we want to express our concerns about the public comment and review process. The Association is troubled by the fact that the State did not provide the economic analysis required by statute in its initial proposal. In addition, because of time constraints, CMS has not been given sufficient opportunity to review the waiver request. Since marking the application complete, the State of Iowa has filed two supplementary addendums, the first on September 20 and the second on October 5th, 2017 - just 10 business days before the public comment period closed. Despite these changes, CMS has not extended the public comment period and there has not been sufficient time for CMS or the public to conduct an in-depth analysis of the waiver's full impact for patients and consumers.

The Association appreciates the intent of the application and its amendments to stabilize the marketplace. However, we do not believe this request meets the requirements for the 1332 waiver program or our standards for quality, affordable coverage. We respectfully request that the request be withdrawn and the State consider submitting a waiver solely to implement a reinsurance program. Other steps, including eliminating grandfathered plans, may also help stabilize markets. Earlier this year, Alaska completed a 1332 waiver to implement a reinsurance program and rates are expected to decrease by 20 percent once finalized. We strongly urge both the State and CMS to meet with stakeholders to explore these and other policy alternatives and a reasonable timeframe for implementing such changes.

Healthcare Must be Affordable

The 1332 waiver application proposes to use its share of federal expenditures - originally designated for advance premium tax credits (APTCs) and cost-sharing reduction subsidies (CSRs) - to provide premium tax subsidies that would differ from those provided under the Affordable Care Act. While we appreciate the State's efforts to improve affordability by restoring CSRs for individuals and families between 133-200 percent of federal poverty level (FPL), we remain concerned that persons between 200-250 percent FPL would not receive assistance with the cost of their care. It appears that the waiver's provisions to eliminate additional cost-sharing subsidies for those who qualify would fail to meet the statutory requirement for affordability by ensuring that any approved proposal provides coverage that is *at least* as affordable as coverage provided under current law.

³ McWilliams JM, Zaslavsky AM, Meara E, Ayanian JZ. Health insurance coverage and mortality among the near-elderly. *Health Affairs* 2004; 23(4): 223-233.

⁴ Duru OK, Vargas RB, Kerman D, Pan D, Norris KC. Health Insurance status and hypertension monitoring and control in the United States. *Am J Hypertens* 2007;20:348-353.

⁵ Rice T, LaVarreda SA, Ponce NA, Brown ER. The impact of private and public health insurance on medication use for adults with chronic diseases. *Med Care Res Rev* 2005; 62(1): 231-249

⁶ McWilliams JM, Meara E, Zaslavsky AM, Ayanian JZ. Health of previously uninsured adults after acquiring Medicare coverage. *JAMA*. 2007; 298:2886 -2894.

⁷ Smolderen KG, et al. Health Care Insurance, Financial Concerns in Accessing Care, and Delays to Hospital Presentation in Acute Myocardial Infarction. *JAMA* 2010;303(14)1392-1400.

In 2016, nearly 28,000 lowans received ACA CSRs because they had incomes up to 250 percent of the poverty level. We are concerned that the updated proposal would eliminate CSR payments for individuals between 200 and 250 percent of FPL who qualify under current law. Despite an attempt to address affordability, the proposal would still leave many low- and moderate-income people unable to afford care because of increased premiums, deductibles, and other out of pocket costs.

Additionally, this proposal appears to shift federal dollars from low to middle income lowans, by eliminating the income cutoff for those who receive ACA premium tax credits. While we support the state's desire to expand tax credits to middle-income earners, we are concerned that it may result in increased costs for those who can least afford it and we believe the proposed reinsurance payments to insurers are unlikely to compensate for these losses. We strongly urge CMS to ensure that all low-income individuals at or under 250 percent FPL continue to have full access to CSR subsidies, either by redirecting funds in the proposal or by simply allowing plans to be sold as they would have been, absent this proposal.

It is also unclear if Iowa has contemplated how individuals with long-term or acute illnesses, such as CVD, congenital heart defects, and stroke, would be impacted under this proposal. While the state indicates that these vulnerable populations can seek treatment from free or low-cost community clinics, individuals with chronic or serious conditions may not be able to obtain the high-cost treatments and access to specialists they often need from these clinics.

Healthcare Must be Accessible

The accelerated implementation timeframe coupled with the numerous provisions waived in this request, may lead to consumer confusion and market disruption for plan year 2018. Under the proposal, lowans must purchase a plan during the open enrollment period - between November 1, 2017 to December 15, 2017 - directly from the participating insurance carrier, not on the existing exchange. While we support the State's decision to simplify the process by developing a standard application, we are concerned that the forms and new administrative procedures may not be completed before the open enrollment period. We are also concerned that the changes will require extensive education and outreach within the state to inform individuals about the new system, enrollment process and plans and it. It is unclear how the state intends to carry out these activities in a timely manner.

Many consumers who previously enrolled in coverage through the healthcare.gov website have experience using that tool. The new procedures are likely to cause confusion and make it more difficult to obtain coverage. We recommend that the state be required to demonstrate the functionality of any system for enrollment or commit to extending enrollment for any lowan if problems arise with the new enrollment protocols.

The proposed waiver would permit an lowan to sign up for coverage outside of the open enrollment period only in they are able to obtain a special enrollment period (SEP) and meet one of eight specified requirements, which mirror the SEPs defined by CMS for federally facilitated marketplaces. However, in addition to meeting the eligibility requirements, lowans will also have to prove they have had continuous coverage for the previous 12 months. Continuous coverage requirements are likely to have negative impacts on patients with chronic or serious illnesses. Penalties imposed in these

situations may adversely impact access to care, interrupt life-saving treatment and make insurance unaffordable when they attempt to regain coverage.

There are a variety of legitimate reasons why a patient or caregiver could have gaps in coverage. For example, they may lose their employer based coverage as result of a serious or chronic health condition, or while caring for a loved one. Gaps in coverage may also occur after a divorce or death of a relative. This requirement could also unfairly impact lowans coming from states with less stringent requirements. Additionally, it unclear how the state plans to enforce and oversee this policy and we believe it would be inappropriate for carriers to monitor or police individuals, rather than the state department of health.

Healthcare Must be Adequate and Understandable

The AHA supports a robust and competitive marketplace that allows consumers to choose a health plan that best meets their needs. Under the proposed 1332 waiver, only one plan category (silver) would be available. We are pleased that this set of plans would cover all essential health benefits (EHBs) as well as Iowa state mandates, but unclear about how many types of silver plans will be available and whether there will be options that meet the needs of patients with complex healthcare needs. We ask that the intent of this provision be clarified. If multiple plans are offered, we urge the state to develop an educational tool to helps consumers compare options and choose a plan that best meets their needs.

Conclusion

We continue to be very concerned about the lack of information provided by the state, the continued changes to the proposal without extended comment periods, and the accelerated implementation timeline. We feel strongly that robust and statutorily required comment periods at both the state and federal level are necessary to ensure that these programs are thoughtfully planned and executed and that the concerns of the broader community, including the voices of patients, are adequately considered.

The drafts and supplements submitted by the state to CMS do not provide adequate information for stakeholders to fully understand and evaluate the impact of the waiver on CVD patients. For example, the application provides almost no detail about network adequacy and the prescription drug formulary – information that is needed to select plans that meet the needs of CVD patients. The economic and actuarial data and analyses that are required as part of the 1332 application are equally important. While we understand they take time, we do not feel that accurate and responsible decisions can be made in their absence.

Nationally many health insurance premiums are expected to rise given the lack of permanent funding for the CSRs and uncertainty regarding Congressional and/or federal administrative changes to the marketplace. We recognize that Iowa's situation is unique and that immediate steps are necessary to help stabilize the marketplace for 2018. We urge you to work with Medica, a company that recently announced their intention to participate in all 99 counties, to mitigate premium increases. Medica's market entry eliminates the need to enact this waiver, and we would ask the state to reconsider building a new system in this short timeframe.

On behalf of the American Heart Association we thank you for the opportunity to comment on the proposed section 1332 waiver. We strongly believe the current waiver should be withdrawn immediately and undergo significant revisions to improve access to affordable, adequate healthcare for patients with CVD. We stand ready to work with you and other stakeholders to ensure that the Iowa 1332 waiver is designed in a manner that best serves patients and supports the long-term viability of the individual market.

Sincerely,

A handwritten signature in black ink that reads "Sue A. Nelson". The signature is written in a cursive style with a prominent loop at the end of the last name.

Sue Nelson
Vice President of Federal Advocacy

CC: Seema Verma, Administrator
Center for Medicare and Medicaid Services