



via electronic submission

June 28, 2019

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

**Re: North Dakota Section 1332 Waiver Comments**

Dear Administrator Verma:

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

ACS CAN supports a robust marketplace from which consumers can choose a health plan that best meets their needs. Access to health care coverage is paramount for persons with cancer and survivors. Research from the American Cancer Society has shown that uninsured Americans are less likely to get screened for cancer and thus are more likely to have their cancer diagnosed at an advanced stage when survival is less likely and the cost of care more expensive.<sup>1</sup> In the United States, more than 1.7 million Americans will be diagnosed with cancer this year – an estimated 3,940 in North Dakota.<sup>2</sup> An additional 15.5 million Americans are living with a history of cancer – 35,390 in North Dakota.<sup>3</sup> For these Americans access to affordable health insurance is a matter of life or death.

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

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

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

<sup>3</sup> American Cancer Society. *Cancer Treatment & Survivorship: Facts & Figures 2016-2017*. Atlanta: American Cancer Society, 2016.

premiums by 20 percent in plan year 2020.<sup>4</sup> These savings could reduce federal government subsidy payments, and lower premiums for consumers who enroll in coverage through the exchange but are not eligible for subsidies.

The Department notes that in 2018, only one issuer offered plans in all counties in the state.<sup>5</sup> A reinsurance program may encourage insurance carriers to enter the market. A reinsurance program may also encourage plans already in the market to continue offering plans through the exchange. Further, the expected maintenance or increase in plan competition due to the reinsurance program may help to keep premiums from rising. These premium savings could help cancer patients and survivors afford health insurance coverage and may enable some individuals to enroll who previously could not afford coverage. The Department estimates that enrollment in the individual market will increase 1 percent because of the reinsurance program.<sup>6</sup>

We are pleased that the proposal states the waiver would not adversely affect the comprehensiveness of enrollees' benefits or increase their cost-sharing. ACS CAN believes that patient protections in current law – like the prohibition on pre-existing condition exclusions, prohibition on lifetime and annual limits, and Essential Health Benefits requirements – are crucial to making the healthcare system work for cancer patients and survivors.

### Conclusion

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

Sincerely,



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

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<sup>4</sup> North Dakota Insurance Department. NORTH DAKOTA 1332 WAIVER APPLICATION. May 10, 2019. <https://www.nd.gov/ndins/sites/www/files/documents/Health%20Care%20Reform/Final%20North%20Dakota%201332%20Waiver%20Application.pdf>.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.



July 3, 2019

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

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

Re: North Dakota Section 1332 Waiver Application

Dear Secretary Azar and Secretary Mnuchin:

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

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

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

Reinsurance is an important tool to help stabilize health insurance markets. These programs help insurance companies cover claims for high cost enrollees, keeping premiums more affordable for everyone. For instance, a temporary reinsurance fund for the individual market established under the Affordable Care Act reduced premiums by an estimated 10 to 14 percent in its first year.<sup>1</sup> A recent analysis by Avalere of the seven states that have created their own reinsurance programs through Section 1332 waivers also found that these programs reduced individual market premiums by an average of 19.9 percent in their first year.<sup>2</sup>

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

Sincerely,

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

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

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

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



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Department of Health and Human Services  
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Honorable Steven Mnuchin  
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1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Re: North Dakota Section 1332 Waiver Application

Dear Secretary Azar and Secretary Mnuchin:

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

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

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

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

North Dakota's proposal will create a reinsurance program starting for the 2020 plan year and continuing for five years. This program is projected to reduce premiums by 20 percent and increase the number of individuals obtaining health insurance through the individual market by one percent. By improving the stability of the marketplace, the program should also help to retain or attract new insurers to North Dakota's individual market, improving choices for consumers. This program would help patients with pre-existing conditions obtain affordable, comprehensive coverage.

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

Sincerely,

American Heart Association  
American Liver Foundation  
American Lung Association  
Arthritis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
The Leukemia and Lymphoma Society  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Psoriasis Foundation  
Susan G. Komen

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

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