



July 30, 2021

The Honorable Patty Murray
U.S. Senate
154 Russell Senate Office Building
Washington, DC 20510

The Honorable Franke Pallone, Jr.
U.S. House of Representatives
2107 Rayburn House Office Building
Washington, DC 20515

Re: Request for Information on Design Considerations for Legislation to Develop a Public Health Insurance Option

Dear Chairwoman Murray and Chairman Pallone:

Thank you for the opportunity to offer input on your work to develop legislation establishing a federally administered public option.

The undersigned organizations represent millions of patients and consumers facing serious, acute, and chronic health conditions across the country. Our organizations have a unique perspective on what patients need to prevent diseases, cure illness, and manage chronic health conditions. Our breadth enables us to draw upon a wealth of knowledge and expertise that can be used in an invaluable resource in this discussion. We urge Congress to make the best use of the knowledge and experience our patients and organizations offer in response to this request for information.

In March of 2017, our organizations agreed upon three overarching principles¹ to guide any work to reform and improve the nation's healthcare system. These principles state that: (1) healthcare should be accessible, meaning that coverage should be easy to understand and not pose a barrier to care; (2)

¹ American Lung Association website, "Healthcare reform principles." Available at: <https://www.lung.org/getmedia/a80ca017-c045-4415-87d9-97a952ff399c/020121-healthcare-principles43logos.pdf>

healthcare should be affordable, enabling patients to access the treatments they need to live healthy and productive lives; and (3) healthcare must be adequate, meaning healthcare coverage should cover treatments patients need, including all the services in the essential health benefit (EHB) package.

We deeply appreciate your commitment to expanding access to quality, affordable health coverage. We share your goal of achieving universal coverage and more affordable, simpler access to health care for patients and families, and look forward to working with you to reach it. If a federally administered public option is to be developed in furtherance of this end, it should adhere to our shared principles and account for the following considerations.

Accessibility: A public option must increase the number of insured individuals and ensure patients have access to the services and providers they need.

A primary goal of any federal public option must be to increase the number of people with quality, affordable, health coverage. A public option program therefore must be designed to provide an affordable and accessible coverage option to people who are un-insured or underinsured. A program that is broadly available to individuals in a variety of coverage situations, including to people who do not currently qualify for federally subsidized coverage as well as those whose coverage is unaffordable or insufficient, is likely to be more successful in reducing un-insurance and underinsurance than a program with relatively narrow eligibility criteria.

In addition, a public option program must prioritize outreach and enrollment assistance activities, to increase awareness of coverage and financial assistance opportunities and facilitate sign-ups. Public investments in such efforts have been critical in the context of the ACA.² They are especially important as a means of addressing longstanding inequities in coverage access present by race, ethnicity, and immigration status. The success of any public option program will depend in part on federal support for outreach to and engagement with communities with high rates of un-insurance.

It is not enough for a public option to increase coverage take-up; it must also expand and protect patient access to the care they need. A public option must ensure timely access to a provider network that is sufficient in size and scope to meet the diverse needs of enrollees, so that all covered benefits and services are available without undue delay or financial burden. This is a multifaceted responsibility that includes the obligation to construct a network that reflects the diversity of the people it serves, in terms of race, ethnicity, disability, gender identity, and sexual orientation, and to provide culturally- and linguistically-competent care. The federal government should set comprehensive network adequacy standards for a public option and provide sufficient oversight to ensure compliance with these standards.

Adequacy: A public option should offer comprehensive coverage comparable to ACA marketplace plans and Medicaid and be designed to increase health equity.

A public option should offer a robust benefit. It must cover all of the essential health benefits required under the ACA, including preventive services without cost-sharing, maternity services, and prescription medications, and meet a minimum actuarial value standard. The benefit package should also be designed to improve health equity and decrease racial and other health disparities, through means to be

² See, e.g., <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2015.0215>; <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2016.1440>; https://www.nber.org/system/files/working_papers/w27695/w27695.pdf

determined in consultation with, and reflecting the input of, patient and consumer stakeholders, including individuals working in or representing underserved communities.

Affordability: A public option must improve the affordability of coverage, taking into account both premium costs and out-of-pocket expenses.

A public option must include caps on out-of-pocket expenses and other protections that reduce consumers' exposure to high costs, which are at least as protective as the rules applicable to individual market health insurance under the ACA. Consideration of costs should include both premium costs and out-of-pocket costs. A public option should not include high deductibles. Protections against surprise billing must apply to the public option.

A public option must also provide financial assistance to enrollees to make the cost of coverage affordable. Our organizations strongly support the enhancements to marketplace premium subsidies provided under the American Rescue Plan Act (ARP), which have contributed to a sharp increase in marketplace coverage in recent months. We strongly encourage congressional action to make these critical affordability improvements permanent. In turn, enrollees in a public option should be eligible for premium and cost-sharing assistance that is at least as generous as that available to marketplace enrollees under the ACA and ARP.

Thank you for the opportunity to provide this input. If you have any questions contact Rachel Patterson of the Epilepsy Foundation at rpatterson@efa.org.

Sincerely,

Alpha-1 Foundation
ALS Association
American Cancer Society Cancer Action Network
American Heart Association
American Lung Association
Arthritis Foundation
Cancer Support Community
CancerCare
Cystic Fibrosis Foundation
Epilepsy Foundation
Hemophilia Federation of America
Muscular Dystrophy Association
National Alliance on Mental Illness
National Coalition for Cancer Survivorship
National Hemophilia Foundation
National Organization for Rare Disorders
Susan G. Komen
The AIDS Institute
The American Liver Foundation
The Leukemia & Lymphoma Society
United Way Worldwide