

March 21, 2018

The Honorable Lamar Alexander  
Chair  
Health, Education, Labor, and Pensions Committee  
United States Senate  
Washington, DC 20510

The Honorable Patty Murray  
Ranking Member  
Health, Education, Labor, and Pensions Committee  
United States Senate  
Washington, DC 20510

The Honorable Susan Collins  
United States Senate  
Washington, DC 20510

Dear Chairman Alexander, Ranking Member Murray, and Senator Collins:

Members of the National Association of Insurance Commissioners (NAIC) continue to urge congressional support for health insurance market stabilization reforms and applaud the Senate leaders who have worked across the political aisle to advance them. If Congress does not act to stabilize health insurance markets, continued uncertainty regarding federal funding, the health of the risk pool, and regulatory requirements will result in even higher premiums and, possibly, fewer carriers participating on the exchange – perhaps even bare counties.

This is why commissioners from across the political spectrum have contacted their congressional delegations, testified before House and Senate committees, and urged federal policymakers to take immediate action to stabilize the health insurance markets.

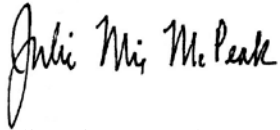
Specifically, state regulators support market stabilization reforms that would:

- Provide federal funding for reinsurance programs to address the deteriorating risk pools;
- Fully fund cost-sharing reduction (CSR) payments that are owed to insurance carriers that provide low-cost sharing plans to lower-income enrollees; and,
- Make the Section 1332 waiver process more streamlined and predictable for states.

These concepts have received bipartisan support and, contrary to some rhetoric, are in no way a “bailout” of the insurance industry. They directly benefit consumers and help stabilize the risk pool. CSR payments reimburse carriers for providing a lower cost version of their Silver plans to eligible consumers, and establishing reinsurance funding acknowledges that the risk pools in many states are much sicker than anticipated and help is needed to backstop markets that might otherwise cease to exist in some counties. Section 1332 waiver flexibility will provide states clearer guidance and quicker action to address their market realities, while preserving guardrails to protect consumers. And finally, the Senate rightly acknowledges that “sales across state lines” are best left to the states in the form of interstate compacts.

As insurance commissioners, we attempt to assess these reforms with an apolitical perspective, but we recognize that the political process in Washington does not always allow for a perfect result. What is clear, however, is that without these reforms markets across the country will continue to deteriorate, and consumers will pay the price for this inaction. We applaud Senators who have worked to advance these reforms and we urge all Members of Congress to support them and stabilize health insurance markets for our nation’s consumers.

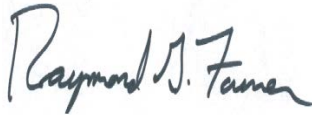
Sincerely,



Julie Mix McPeak  
NAIC President  
Commissioner  
Tennessee Department of  
Commerce & Insurance



Eric A. Cioppa  
NAIC President-Elect  
Superintendent  
Maine Bureau of Insurance



Raymond G. Farmer  
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Gordon I. Ito  
NAIC Secretary-Treasurer  
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