

July 19, 2017

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable John Cornyn  
Majority Whip  
United States Senate  
Washington, DC 20510

The Honorable Dick Durbin  
Minority Whip  
United States Senate  
Washington, DC 20510

Dear Majority Leader McConnell, Minority Leader Schumer, Majority Whip Cornyn, and Minority Whip Durbin:

On May 17, 2017, we wrote to you on behalf of the nation's state insurance commissioners urging you to take immediate action to help stabilize the individual markets in our states. Specifically, we asked that you: 1) ensure the cost-sharing reduction (CSR) payments are fully funded in 2017 and 2018; and, 2) provide sufficient and sustained market stabilization funding to states for the establishment of reinsurance programs or high risk pool programs. We noted that these two actions alone would go a long way toward stabilizing the individual markets in our states while legislative replacement and reform options are debated.

The deadline for all initial rates for 2018 to be filed has passed and carriers still have no idea whether CSR payments will be made next year, or even the remainder of this year. In addition, nothing has been done to address the volatility of the individual market, which has led more carriers to leave the Exchange market, or the individual market altogether. States are currently reviewing proposed rates and carriers must decide within the next two months whether they will participate in the Exchanges, or not. Further inaction at the federal level will lead to higher premiums, fewer consumer options, and, in some places, collapsing markets.

As attempts to enact broader Affordable Care Act reforms continue, we again urge you to take immediate action to: 1) fully fund CSR payments through 2019; 2) provide \$15 billion per year for reinsurance and market stabilization funding through 2019 to help offset the cost of high-risk enrollees and bring more certainty to the market; and, 3) extend the moratorium on the Section 9010 Annual Fee on Health Insurance Providers through 2019. These steps, along with efforts at the administrative level to reduce regulatory burdens and promote state flexibility, will help stem the tide of increasing premiums and market withdrawals.

State regulators remain committed to working collaboratively with Congress on a non-partisan basis to address the longer-term issues related to health insurance. As your partners in government, we look forward to working with you as we all seek to make health insurance coverage more affordable and accessible.

Sincerely,



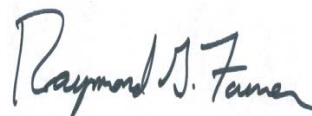
Theodore K. Nickel  
NAIC President  
Commissioner  
Wisconsin Office of the  
Commissioner of Insurance



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



Eric A. Cioppa  
NAIC Vice President  
Superintendent  
Maine Bureau of Insurance



Raymond G. Farmer  
NAIC Secretary-Treasurer  
Director  
South Carolina Department of Insurance