

HOUSE WAYS & MEANS SUBCOMMITTEE ON OVERSIGHT: MAXIMIZING HEALTH COVERAGE ENROLLMENT AMIDST ADMINISTRATION SABOTAGE

EXECUTIVE SUMMARY

The House Ways & Means Subcommittee on Oversight [convened](#) a hearing to examine health insurance coverage and the Administration's efforts to undermine the Affordable Care Act (ACA). The hearing featured witnesses from state exchanges who spoke about state efforts to improve access and affordability of health insurance and witnesses that detailed the current state of health coverage under the ACA. Many members focused on the impending Supreme Court case on the ACA and what would happen if the law were to be struck down. Democrat members expressed concern for individuals with preexisting conditions and the impact on health disparities, while Republicans touted non-ACA coverage options supported under the Trump Administration.

OPENING STATEMENTS

Subcommittee Chairman Bill Pascrell (D-NJ) began his opening statement by recounting the numerous attempts by the Republican party to eliminate the ACA and the Trump Administration's efforts that undermine and weaken the law. These efforts include the expansion of short-term limited duration (STLD) plans, eliminated family planning services, and cutting funding for the patient navigator program. He then detailed that while millions of Americans have lost health insurance coverage during the COVID-19 pandemic, the Department of Health and Human Services (HHS) refused to open a special enrollment period and the Administration continues to push forward with the Supreme Court case that would eliminate protections for individuals with preexisting conditions, of which COVID-19 is likely to become one. Chairman Pascrell noted that if Republicans were actually committed to continuing preexisting conditions protections, they should join Democrat efforts to build upon and enhance the ACA.

In his opening statement, **Subcommittee Ranking Member Mike Kelly (R-PA)** noted that while the American health system is far from perfect, it is still the best in the world with the most innovative health care solutions. Ranking Member Kelly emphasized that while the rhetoric on American health care is typically negative, the Trump Administration has made strides to improve the system by stabilizing the individual market and increasing plan options. Specifically, he referenced the success of STLD plans and the elimination of the individual mandate in lowering costs for middle-class Americans. Ranking Member Kelly detailed that instead of making incremental improvements, Democrats also want to replace the ACA with Medicare for All, which would "destroy the current health system." He expressed support for bipartisan solutions that focus on improving affordability for all Americans.

WITNESS TESTIMONY

Ms. Marlene Caride, Commissioner of the New Jersey Department of Banking and Insurance, [testified](#) about New Jersey's efforts to stabilize the individual market and increase coverage and affordability. Ms. Caride detailed that through legislative efforts, including a state individual mandate and a state reinsurance program, New Jersey was able to stabilize the individual market with a robust risk pool, which resulted in lower premiums. Additionally, New Jersey shifted to a state-based exchange, which Ms. Caride noted allowed the state to increase its number of patient navigators from one to sixteen. Ms. Caride concluded that there is no time better than the pandemic to make efforts to increase coverage for individuals.

In his [testimony](#), **Mr. Kevin Patterson, Chief Executive Officer of Connect for Health Colorado** spoke about Colorado's efforts to increase enrollment and plan options in the state-based marketplace. Mr. Patterson noted that Connect for Health Colorado prioritizes rural communities and direct outreach in those underserved areas through its navigator program which is funded at \$2 million at 45 sites. He further explained that Colorado opened a special enrollment period during the pandemic, in which 14,000 people enrolled. Mr. Patterson also detailed that this year Colorado will begin implementing an easy enrollment program and a state reinsurance program to further support access and affordability.

Mr. Andy Slavitt, Board Chair for the United States of Care [testified](#) about the current state health coverage and potential implications of the ACA Supreme Court case. Mr. Slavitt, a former Centers for Medicare and Medicaid Services (CMS) administrator, detailed that COVID-19 and the ACA Supreme Court are major threats to health care coverage. He further explained that the pandemic has resulted in 14.6 million individuals losing coverage and the court case could result in millions more people losing coverage due to the lack of protections for individuals with preexisting conditions. Mr. Slavitt noted that instead of bolstering the ACA, the Trump Administration has continually undermined the law by cutting funding for the navigators program, promoting "junk plans" such as STLD plans, and refusing to implement the law as intended. He concluded by stating that Americans like the ACA and Congress needs to fight to preserve it.

In his [testimony](#), **Mr. Chris Pope, Senior Fellow at the Manhattan Institute** outlined potential policy solutions to remedy the problems the ACA has created over the past 10 years. Primarily, Mr. Pope asserts that ACA plans are not priced in a way that incentivizes individuals to enroll proactively. He further explains that the plans are not affordable for most Americans and do not present a variety of plan options that are desirable for the majority of Americans. Mr. Pope expressed support for the recent reforms to expand STLD plans and eliminate the individual mandate, but suggested that the ACA be updated to reflect the current market needs.

MEMBER DISCUSSION

ACA Supreme Court Case

Chairman Pascrell asked the panel how destructive it would be to overturn the ACA during a pandemic. Mr. Slavitt responded that it is never a good time to take insurance coverage away, but it is especially dangerous to do so during a pandemic in which the virus is not completely understood. He further detailed that people may be less likely to disclose their COVID-19 infection if preexisting condition protections are eliminated. Chairman Pascrell followed up to ask what will happen to the millions of Americans who are currently uninsured due to the pandemic when the ACA is struck down. Mr. Slavitt stated that they will continue to be uninsured and will most likely forego care due to costs.

Rep. Brad Schneider (D-IL) noted that the healthcare system is stronger because of the ACA and its protections but acknowledged that it is not perfect. He asked Mr. Slavitt what improvements should be made to the ACA. Mr. Slavitt recommended increasing outreach to communities in need of coverage and younger people in order to bolster the individual market risk pool. He added that all efforts should be to increase coverage and emphasized that the ACA was intended to be the first step towards better health care, not the final stage.

Rep. Steven Horsford (D-NV) stressed the need to make the ACA work for all people through addressing the weaknesses that exist. He asked what will happen to the individuals who will become uninsured as a result of the ACA being overturned. Mr. Slavitt projected that the uninsured rate will go up and these individuals may not be able to obtain health insurance again because COVID-19 may become a preexisting condition insurance companies can discriminate against.

Rep. Linda Sanchez (D-CA) referenced the ACA provision that prohibits insurance carriers from gender rating and asked what would happen if the ACA was struck down. Mr. Slavitt responded that women could be once again charged more for the same services as men.

Preexisting Conditions Protections

Rep. Dan Kildee (D-MI) noted that 135 million Americans have preexisting conditions and asked what happen to the protections if the ACA is struck down. Mr. Slavitt detailed that the insurance market will revert to 2009, in which insurers were permitted to exclude certain services for individuals with preexisting conditions or charge these individuals higher premiums and deductibles. Mr. Slavitt added that the situation after the Supreme Court will be worse than 2009 because COVID-19 could become a preexisting condition for millions of Americans.

Rep. Judy Chu (D-CA) asked if President Trump's recent Executive Order (EO) preserves preexisting conditions protections. Mr. Slavitt replied that the EO does not preserve the protections and actual action would be needed to continue the protections if the ACA were struck down.

Health Disparities

Rep. Sanchez asked the panel to explain the importance of the ACA in improving health disparities. Mr. Slavitt detailed that following the first five years after the ACA was passed, disparities were improving in many areas including uninsured rate, cancer rates and home ownership. He continued that without the ACA, there is no way to reach racial and ethnic minority groups and the uninsured rate will soar. Ms. Caride added that the patient navigator program is crucial for minority communities.

Rep. Terri Sewell (D-AL) similarly asked why protecting the ACA Medicaid expansion was important for improving inequities in health care. Mr. Slavitt replied that the ACA was the first reform that focuses on providing coverage to everyone, regardless of income status or employment status. He noted how the Medicaid expansion allowed some people to become insured for the first time, and this population risks becoming uninsured again if the ACA were struck down.

Alternative Health Coverage Options

While the Democrat members focused on what could be eliminated if the ACA were struck down, Republican members boasted the increase in insurance options outside of ACA plans. Ranking Member Kelly and **Rep. Jason Smith (R-MO)** asked Mr. Pope to explain the benefits of association health plans (AHPs). Mr. Pope explained that small business and individuals within a certain field could form a group to purchase health insurance and enjoy the same flexibilities as large employers. He further detailed that this also allows risk to be spread across a larger group.

Rep. Brad Wenstrup (R-OH) asked about the importance of STLD plans when ACA are too expensive for some individuals. Mr. Pope responded that ACA plans serve as an adequate safety net plan for individuals with preexisting conditions, but asserted that STLD plans better serve individuals with less health risks and do not negatively impact preexisting coverage.

Rep. Chu referenced how California has banned STLD plans and asked Mr. Slavitt if they are adequate plans. Mr. Slavitt agreed that Americans should have more choices, but the choices should still include guardrails, such as the essential health benefits, to ensure the plans are comprehensive.

State Flexibility to Increase Coverage

Chairman Pascrell asked Ms. Caride why New Jersey shifted to a state-based exchange. Ms. Caride explained that the state could better use the funds to support their own navigator program and tailor the state plans to the specific needs of their residents.

Rep. Suzan DelBene (D-WA) asked Mr. Patterson how Colorado has been able to increase coverage in the state. Mr. Patterson detailed that through targeted outreach efforts, Colorado has been able to increase enrollment in underserved areas. He further explained that Colorado has been able to directly work with communities being missed or communities with language barriers. He also detailed that the state reinsurance program has resulted in lower premiums and the addition of new carriers to the individual market.