June 29, 2018

Honorable Marlene Caride
New Jersey Department of Banking and Insurance
20 West State Street
P.O. Box 325
Trenton, NJ 08625

Re: New Jersey Section 1332 State Innovation Waiver

Dear Commissioner Caride:

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

Cystic fibrosis (CF) is a life-threatening genetic disease that affects 697 people in New Jersey and 35,000 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 New Jersey’s creation of a reinsurance program that will make coverage more affordable and expand plan choice by encouraging insurer participation in the marketplace.

Reinsurance has been an effective measure to slow premium growth and protect against adverse selection at the federal level, as well as in states like Maine. The American Academy of Actuaries estimated that the federal reinsurance program reduced premiums by 10 to 14 percent in the individual market in 2014.¹ An analysis of Maine’s “invisible” high risk pool found the program significantly reduced premiums in the state’s individual market.²

The Cystic Fibrosis Foundation appreciates the opportunity to provide input on these important policy changes. As the health care landscape continues to evolve, we look forward to working with the state of New Jersey 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 Vice President of Policy & Advocacy
Cystic Fibrosis Foundation

Lisa Feng, DrPH
Senior Director of Policy & Advocacy
Cystic Fibrosis Foundation