



May 6, 2019

Deputy Commissioner Jeff Ubben
North Dakota Insurance Department
600 East Boulevard Avenue
Bismarck, ND 58505-0001

Re: North Dakota Section 1332 State Innovation Waiver

Dear Deputy Commissioner Ubben:

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

Cystic fibrosis (CF) is a life-threatening genetic disease that affects 30,000 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 North Dakota's creation of a reinsurance program that will make coverage more affordable and expand plan choice by encouraging insurer participation in the marketplace.

Reinsurance is an important tool to help stabilize health insurance markets. These programs help insurance companies cover claims for high cost enrollees, keeping premiums more affordable for everyone. For instance, a temporary reinsurance fund for the individual market established under the Affordable Care Act reduced premiums by an estimated 10 to 14 percent in its first year.ⁱ A recent analysis by Avalere of the seven states that have created their own reinsurance programs through Section 1332 waivers also found that these programs reduced individual market premiums by an average of 19.9 percent in their first year.ⁱⁱ

The Cystic Fibrosis Foundation appreciates the opportunity to provide input on these important policy changes. As the health landscape continues to evolve, we look forward to working with the state of North Dakota 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 VP of Policy & Patient Assistance Programs
Cystic Fibrosis Foundation

Lisa B. Feng, DrPH
Senior Director of Access Policy & Innovation
Cystic Fibrosis Foundation

ⁱ American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf.

ⁱⁱ Avalere. *State-Run Reinsurance Programs Reduce ACA Premiums by 19.9% on Average*. March 2019. Retrieved from <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-19-9-on-average>.