

Chairman Vincent C. Gray
Committee on Health
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004

Dear Chairman Gray and Members of the Committee,

The undersigned organizations represent health care consumers, patients, and providers. We commend the Council, DC Health Link, the Department of Insurance, Securities, and Banking, the Mayor, and other allies in the District of Columbia leadership for the impressive job the District has done in implementing the Affordable Care Act (ACA). This work has resulted in the District cutting its uninsured rate in half. We are proud that the District ranks second in the nation in having the fewest uninsured residents. We want the District to maintain high-quality, affordable coverage for all residents. We therefore write today in support of legislation to protect consumers from new harms and risks of short-term limited duration and association health plans that were recently expanded by Trump Administration regulations.

These plans that federal rules expand could put at risk the progress the District of Columbia has made in protecting and improving health coverage for residents. Short-term limited duration plans leave consumers exposed to undue financial and health risks. Unlike ACA health coverage— which is forbidden from discriminating against people with preexisting conditions, which must cover essential benefits in the individual and small group markets, and which must provide other critical consumer protections— short-term health plans can discriminate against people based on their health status, charge women more than men, and do not have to cover the services people need when they are sick or injured. Many of the same problems, as well as others, are created by the Trump administration rules for association health plans.

When the Kaiser Family Foundation examined the 11 short-term plans available in the District of Columbia through the websites eHealth and Agile Health Insurance in April of this year, it found that over 90 percent of the short-term plans sold in the District did not provide coverage for prescription drugs, and nearly two-thirds did not provide coverage for substance use. None of the District short-term plans examined provide maternity coverage.ⁱ

In addition to putting people directly at risk, these new rules place the District's individual and small group marketplaces in grave danger. The gains made under the Affordable Care Act could be wiped out under the Trump Administration's expanded rules. Expanded short-term and association health plans would attract younger, healthier customers because of their cheap price tag— without people realizing that they are giving up comprehensive coverage and purchasing policies that may leave them without real coverage when they need it. That migration out of the District's individual and small group markets would cause insurance premiums to rise for people who are older, sicker, or have chronic conditions. When premiums rise, people drop coverage. Before long, we would be back to the days before the ACA where a person's ability to obtain coverage depended on their health and wealth.

Due to the very real risks to health care consumers, patients, and the health of the insurance markets in the District that short-term limited duration and association health plans present, we believe that if the Council wishes to make short-term or association health plans available at all, they must be available for

a limited time and comply with other important restrictions. **We strongly support Council action to restrict short-term and association health plans.**

We understand the Council is currently considering two bills regarding short-term limited duration and association health plans. We support the Council doing as much as possible so that these plans do not undermine the strong District marketplace built under the ACA and, to that end, support incorporation of the more specific provisions in B22-1022.

We greatly appreciate your leadership and the Council prioritizing this critical issue for health care consumers and patients. We urge the Council to act quickly to enact protections for DC residents regarding short-term limited duration and association health plans.

Should you have any questions please don't hesitate to contact Claire McAndrew or Cheryl-Fish Parcham of Families USA at cmcandrew@familiesusa.org or cparcham@familiesusa.org or 202-628-3030.

Sincerely,

Families USA
American Academy of Pediatrics, D.C. Chapter
American Heart Association
American Lung Association
Community Catalyst
Cystic Fibrosis Foundation
DC Action for Children
DC Fiscal Policy Institute
District of Columbia Hospital Association
DC Primary Care Association
Epilepsy Foundation
Families Voices of the District of Columbia, Inc.
Hemophilia Association of the Capital Area
Hemophilia Federation of America
The Legal Aid Society of the District of Columbia
Leukemia & Lymphoma Society
Mary's Center
Medical Society of the District of Columbia
Mended Little Hearts
National Multiple Sclerosis Society
National Organization for Rare Disorders
Planned Parenthood of Metropolitan Washington
Small Business Majority
Susan G. Komen
Union Temple Baptist Church
Unity Health Care, Inc.
Whitman-Walker Health

ⁱ Karen Pollitz, Michelle Long, Ashley Semanskee, Rabah Kamal, *Understanding Short-Term Limited Duration Health Insurance* (Washington: Kaiser Family Foundation, April 23, 2018); available online at: <https://www.kff.org/health-reform/issue-brief/understanding-short-term-limited-duration-health-insurance/>