Prevent Blindness®
Bringing Americans to Eye Care

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April 23, 2018

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services,
Department of Health and Human Services,
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue, SW.,
Washington, DC 20201 Attention: CMS-9924-P,
P.O. Box 8010,
7500 Security Boulevard
Baltimore, MD 21244-8010

RE: Proposed Rule, Short-Term, Limited-Duration Insurance CMS-9924-P

Dear Administrator Verma:

On behalf of Prevent Blindness and the millions of people of all ages whom we represent across the country who live with low vision, vision impairment, and vision-related eye diseases, we appreciate the opportunity to respond to the Proposed Rule entitled "Short-Term, Limited-Duration Insurances" promulgated by the Internal Revenue Service (IRS), the Department of Labor, Employee Benefits Security Administration (EBSA), and the Centers for Medicare & Medicaid Services' (CMS). We look forward to working with these agencies in pursuit of expanded access to quality vision and eye care for children, adults, and aging Americans.

Prevent Blindness is the nation's leading nonprofit, voluntary organization committed to preventing blindness and preserving sight. Prevent Blindness is first and foremost a public health organization. We strive to improve our nation's vision and eye health by enhancing state and community capacities through our core competencies of early detection, improved access to eye care, patient support, care coordination, public policy, research, advocacy, public awareness, and health education.

Through the planned changes set forth in the proposed rule, the Departments seek to amend the definition of short-term limited duration insurance plans for the purposes of excluding this form of coverage from current individual health insurance coverage as a manner of promoting consumer choice and providing affordable health coverage. Specifically, this definition would be amended to accommodate a maximum coverage period of fewer than 12 months and expand maximum coverage by 9 months. The proposed rule also offers suggested changes to the language notifying consumers that this coverage does not meet federal healthcare requirements outlined under the Affordable Care Act (ACA), presumably that plans are required to cover certain essential health benefits and include protections for patients with pre-existing conditions.

Prevent Blindness writes to oppose the policies contained in this proposed rule. We have consistently and strongly urged this Administration to prioritize its efforts on healthcare affordability and access so that people who truly need sufficient medical coverage to treat chronic conditions that impact vision and eye sight can continue to receive it. The ACA, while imperfect, has offered a lifeline to individuals with chronic diseases (which often exist as a co-morbidity with vision impairment) and disabilities and their families. The proposed rule offers no counterbalance to the recognized risks it imposes on marketplace stability, and no meaningful alternative for individuals relying on ACA plan coverage.

The Proposed Rule's only mention of individuals with costly medical conditions was to acknowledge that short-term plan enrollees who develop a chronic condition would switch to marketplace coverage. This underscores our belief that individuals with chronic diseases will be disproportionately impacted by this proposed policy because:

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- Short-term health coverage is not a realistic option for people with serious medical conditions for the reasons outlined below; and
- The anticipated syphoning of younger, healthier individuals from the ACA risk pools will increase plan premiums and decrease the number of plans participating in the marketplace.

Short-term health coverage is not a realistic option for people with serious medical conditions. We ask the Departments to consider the implications of these proposals to vision and eye health, particularly those with chronic illness and aging Americans:

Chronic disease management: A recently released Robert Wood Johnson Foundation study ranks eye disorders as the 5th leading chronic condition, requiring ongoing treatment and management over one's lifetime, among those aged 65 years and up and 7th across all age groups. People with vision impairment are more likely to experience other chronic conditions, including diabetes, hearing impairment, heart problems, hypertension, joint symptoms, low back pain, and stroke as well as falls, injury, motor vehicle collisions, depression, social isolation, diminished health-related quality of life, and premature death. Diabetes, one of the most common chronic diseases among adults, can lead to vision loss through diabetic retinopathy, diabetic macular edema, cataracts, and glaucoma.

The overall cost of vision problems to our country is $145 billion annually, and without significant intervention, are projected to increase to $717 billion by 2050 as our population continues to age. The proposals within this rule would absolutely contribute to the realization of these projections by jeopardizing early detection and cost-effective treatments that could prevent lifelong vision impairment or permanent loss of vision and the enormous costs of living without sight

The Proposed Rule makes multiple mentions of the fact that short-term health insurance offers lower premiums for reduced benefits and patient protections that will likely attract younger, healthier individuals. **It is unlikely that individuals with chronic diseases and disabilities would be able to meet medical underwriting standards to obtain this type of coverage and, if coverage is available, it would be associated with a high premium.** These plans have additional shortcomings that make enrollment of little value to individuals with costly medical conditions, including:

- Short-term insurance plans generally exclude coverage for preexisting medical conditions;
- These plans do not have to cover essential health benefits, and most do not even offer coverage for prescription medications.
- Issuers would be allowed to rescind or decline coverage, particularly if the individual receives a diagnosis while covered;
- Short-term plans give the illusion of coverage to patients who may not fully understand the differences between seemingly interchangeable terms outlined in federal statute like "individual health insurance coverage, "qualifying health coverage", or "minimum essential coverage," even with the proposed revised disclaimer;
- Deductibles and cost-sharing obligations are often far more onerous than those contained in ACA plans, but are masked by the appeal of a lower premium; and
- Lifetime and annual caps can be applied to limit coverage.

Absent critical patient protections, patients will instead face potential financial constraints and will not be empowered to prioritize their vision and eye health, likely forgoing cost-effective, sight-saving preventive care, and experiencing compounding health issues due to increased risk of falls, inability to maintain productivity, and reduced ability to independently and capably manage their own health.

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Impacts to the Insurance Market
We are also concerned that insurance issuers and brokers will favor these plans over marketplace coverage because brokers can receive higher commissions and issuers can achieve profits that are not allowed under the ACA's requirement that plan medical loss ratios be at least 80% of premium revenue. The anticipated syphoning of younger, healthier individuals from the ACA risk pools will increase plan premiums and decrease the number of plans participating in the marketplace.

The insurance industry is built, and sustains itself, based upon the ability to identify, quantify, and account for risk. Over the past year, a series of threats and uncertainties were injected into the ACA marketplace, including repeal of the individual mandate, the President's Executive Orders discouraging agencies from supporting ACA marketplace stability or encouraging actions reducing stability, uncertainty over whether the Administration would fund cost sharing reductions, and legislative repeal and replace initiatives. These factors have triggered premium increases and issuer market exits. Many Americans are left with few choices and a fear that the next blow to the ACA marketplace will reduce their coverage options to zero.

The Proposed Rule acknowledges that lower-premium short-term plans are designed to draw younger and healthier individuals away from the individual marketplace and that they will likely do so**.** It further acknowledges that older, less healthy individuals will not have these "affordable" options and will remain in more comprehensive plans with escalating premiums, while simultaneously recognizing that a growing proportion of the nation's enrollees have just one available plan**. Given that older Americans face risk of vision loss and blindness due to aging at a higher rate than younger Americans, we are extremely concerned that reducing coverage options for older Americans by offering short-term plans that are designed to attract younger, healthier individuals may cause aging Americans to forgo sight-saving treatments and maintaining eye health as they age or experience chronic conditions as a result of insurmountable premiums or out-of-pocket costs, loosened patient protections, or inadequate coverage.**

We believe that intentionally taking action that will further reduce stability of the only health insurance available to many individuals with chronic diseases and disabilities is unconscionable and inconsistent with the Administration's obligations to implement and maintain a stable marketplace. We urge you not to finalize the Proposed Rule because its disproportionate impact on individuals with chronic diseases and disabilities far outweighs any benefit younger, healthier individuals will obtain through low premiums.

Once again, Prevent Blindness appreciates the opportunity to submit comments on the Proposed Rule. Please do not hesitate to contact Sara D. Brown, Director of Government Affairs, at (312) 363-6031 or email at sbrown@preventblindness.org if you or your staff would like to discuss these issues in greater detail.

Sincerely,

Jeff Todd

Jeff Todd, President and Chief Executive Officer
Prevent Blindness