

United States Senate

WASHINGTON, DC 20510-4804

COMMITTEES
APPROPRIATIONS
ENERGY AND NATURAL RESOURCES
INTELLIGENCE
VETERANS' AFFAIRS

June 7, 2018

Mr. Allan L. McVey
West Virginia Insurance Commissioner
900 Pennsylvania Avenue
Charleston, West Virginia 25302

Dear Commissioner McVey:

Too many families in West Virginia are struggling to afford their health insurance premiums. Our state saw double digit cost increases last year and early estimates indicate that we may see the same again in 2019. This is unsustainable, and it is why I have been fighting so hard in Congress to pass commonsense, bipartisan healthcare reforms that would have reduced costs for families around the country. I write to urge you to act to limit health insurance premium increases, protect choices, and maintain consumer protections in the individual and small group markets in West Virginia. Changes made by the Republican Congress have already increased premiums in West Virginia by \$71 a month between 2017 and 2018. By this fall, West Virginian's healthcare premiums are projected to increase by \$1,400.

The Congressional Budget Office estimates that the cost of a benchmark plan in the individual market will cost families 15% more in 2019 than it did in 2018.^[1] Much of this increase is caused by the Republican sabotage of our healthcare system. Another estimate, found that these changes could cost a 40 year old in West Virginia an extra \$1400 a year in health insurance premiums.^[2] These regulatory changes will also undermine protections for people with pre-existing conditions and could leave West Virginians without insurance coverage or with much more expensive coverage for healthcare services that they need.

This is simply unacceptable. That is why – while I continue to push for Congressional action – I hope that you will work with me and with the Governor to take steps to limit these cost increases and protect West Virginian's access to affordable, quality health insurance.

- **Intensify rate review:** With daunting premium hikes looming, your work to review insurers' proposed premiums is critical. I urge you to maintain strong standards to ensure consumers pay reasonable rates.
- **Encourage West Virginians to sign up for insurance coverage:** In order to keep costs low for all West Virginia families, we need to bring as many people as we can into the market. To accomplish this goal, West Virginia could increase marketing efforts, simplify enrollment, and educate people about the importance of signing up for coverage.

^[1] <https://www.cbo.gov/publication/53826>

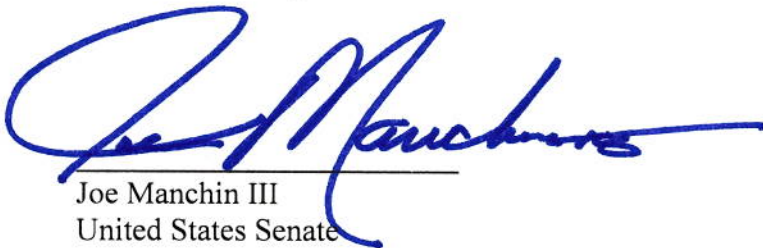
^[2] <https://www.americanprogress.org/issues/healthcare/news/2018/05/18/450943/state-state-estimated-premium-increases-due-individual-mandate-repeal-short-term-plan-rule/>

- **Limit the sale of plans that discriminate against people with pre-existing conditions:** New regulations are expected to make it much easier for people to buy short term health insurance plans, which can discriminate against people with pre-existing conditions, place caps on coverage, and exclude key benefits, including substance use disorder treatment. While I have long supported more flexible insurance options, these plans go too far and are likely to significantly raise costs for the 36% of non-elderly West Virginians who have a pre-existing condition. I urge you to limit the sale of these plans.
- **Apply for a State Innovation Waiver to lower costs:** The Affordable Care Act allows the state to apply for a Section 1332 waiver, which would let the state use federal dollars to set up a program to reduce costs for consumers. Alaska successfully used this waiver to set up a reinsurance program that helps cover the costs of very sick beneficiaries in order to keep insurance premium costs low for everyone else. I am a cosponsor of a bipartisan bill to set up a program like this, but West Virginia can and should take steps in this direction until Congress acts.

As the Insurance Commissioner for the State of West Virginia, you play an integral role in this process and I know that you fully understand the depth and scope of your decisions. As someone with an important role in the delivery of health insurance, I would appreciate hearing your thoughts on ways that we can collaborate together to make insurance premiums more affordable for West Virginians. More specifically, can you please detail specific measures that the federal government should take that would provide states with the resources and flexibility to combat the ever-rising health insurance premiums? Please note that I am committed to making sure that West Virginians have access to affordable health insurance and I look forward to collaborating with you as we move forward.

I have and will continue to work with my colleagues on both sides of the aisle to pass the bipartisan, commonsense legislation that has already been agreed to and is being held up by Congressional leadership. In the absence of such legislation, I encourage you to do what you can to keep healthcare costs as low as possible for West Virginia families.

With warmest regards,



Joe Manchin III
United States Senate