

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
APPROPRIATIONS
COMMERCE
HEALTH, EDUCATION,
LABOR, AND PENSIONS

August 1, 2018

The Honorable Alex Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Azar and Administrator Verma:

We are writing to express serious concerns regarding recent changes to the Navigators program for the upcoming 2019 Open Enrollment period that will make it harder for consumers to enroll in quality, affordable health coverage. On July 10, 2018, the Centers for Medicare & Medicaid Services (CMS) announced that it would slash funding for this critical program from \$36 million to just \$10 million.¹ CMS also modified the program to encourage the explicit promotion of “junk plans”, which harm the 133 million Americans with pre-existing conditions, raise costs on older Americans, and exclude basic benefits including hospitalization, prescription drugs, mental health services, substance abuse treatment, and maternity care. These changes and draconian cuts, which come after CMS significantly delayed releasing critical program information, indicate yet another move by the Trump Administration to undermine our health care system and destabilize the marketplace, further restricting access to in-person help and assistance for individuals enrolling in health insurance coverage.

The Navigator program, required by federal law², funds local nonprofit entities and health care organizations that assist consumers in navigating, shopping, and enrolling in health insurance coverage, including through critical in-person assistance. Navigators are essential to helping

¹ Centers for Medicare & Medicaid Services, *CMS Announces New Funding Opportunity Announcement for the Federally-Facilitated Exchange Navigator Program* (Accessed July 10, 2018) (<https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2018-Press-releases-items/2018-07-10-2.html>)

² The Patient Protection and Affordable Care Act, Pub. L. No. 111-148, 124 STAT 180 & 186; 45 C.F.R. (155.210&155.210).

families enroll in health coverage that meets their needs and advancing strong Marketplace participation. According to CMS' own website, Navigators play a "vital role" in the enrollment process.³ Unfortunately, this Administration has taken every possible opportunity to weaken this program, sabotage enrollment efforts, and destabilize the Marketplace.

In August 2017, CMS cut Navigator funding by more than 40 percent, despite an initial announcement that funding would be comparable to previous years.⁴ CMS also publicly stated that funding for programs would be based on past successes in meeting enrollment goals, however, the agency failed to issue any further explanation for their funding rationale. Navigator programs – including assistance agencies in our states – with a history of meeting enrollment goals still experienced cuts, which impacted their ability to provide necessary services.

This year, CMS failed to provide Navigators with timely guidance and information concerning their funding opportunities.⁵ In past years, the federal grant process was underway by April. This year's July 10 announcement was delayed for months and clearly aims to undercut the essential role played by Navigators. A total of \$10 million is not sufficient to support the work of those seeking to ensure that more Americans have access to quality, affordable health care. Since 2016, support for the Navigator program has decreased by 84 percent, when funding amounted to \$62.5 million.⁶

These cuts, coupled with a disregard for transparency and expediency, compound the uncertainty in the Marketplace, and could reduce enrollment and increase health insurance costs for consumers. Furthermore, the Administration's call for grant applicants to "demonstrate how they provide information to people who may be unaware of the range of available coverage options in addition to qualified health plans (QHPs), such as association health plans, short-term, limited-duration insurance, and health reimbursement arrangements (HRAs)"⁷ represents another threat to high-quality, affordable health care coverage for millions of Americans, particularly those with pre-existing conditions. There has been widespread opposition to the promotion of these "junk" insurance plans. According to an analysis conducted by *The Los Angeles Times*, the Administration's proposed rule on short-term limited duration insurance drew over 9,000

³ Centers for Medicare & Medicaid Services, In-Person Assistance in the Health Insurance Marketplaces (Accessed on July 12, 2018) (<https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/assistance.html>)

⁴ Alonso-Zaldivar, Ricardo. (August 31, 2017) Trump administration slashes funds for health care sign-ups, *The Associated Press* (<https://www.apnews.com/03bbe71f65c1474c999c253db75d0b9d/Trump-administration-slashes-funds-for-health-care-sign-ups>)

⁵ Senate Committee on Health, Education, Labor and Pensions Ranking Member and Members of the Senate Democratic Caucus, Letter to Secretary Azar and Administrator Verma, dated June 22, 2018. (<https://www.baldwin.senate.gov/imo/media/doc/Casey%20Baldwin%20Navigator%20Letter.pdf>)

⁶ Dickson, Virgil. (July 10, 2018) CMS slashes navigator funding to just \$10 million. *Modern Healthcare* (<http://www.modernhealthcare.com/article/20180710/NEWS/180719988>)

⁷ Centers for Medicare & Medicaid Services, *CMS Announces New Funding Opportunity Announcement for the Federally-Facilitated Exchange Navigator Program* (Accessed July 16, 2018)

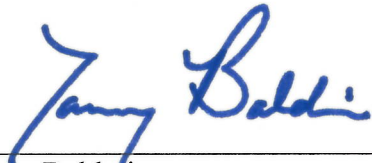
comments.⁸ More than 98% of the health care groups that commented criticized the rule, and “[n]ot a single group representing patients, physicians, nurses or hospitals voiced support” for the proposal to expand the use of short-term plans. State regulators from both political parties have expressed concerns about the impact that these plans will have on vulnerable patients and market stability.

Drastically reducing funding for the Navigator program while encouraging organizations to provide information to consumers on junk plans represents just another effort by the Trump Administration to sabotage the health care system. These changes will jeopardize affordable, quality coverage for individuals who need it most and contribute to market instability, threatening health care coverage for millions of Americans. The negative impact of these changes are already being felt. On July 16, Covering Wisconsin, the state’s largest federally certified and state-licensed Navigator agency, announced that it would be cutting its service area from 12 counties down to two.⁹

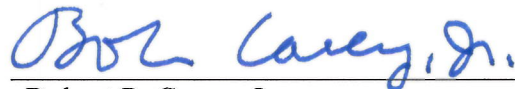
Alarming, the decision to cut funding for Navigators and promote “junk” plans comes on the heels of the Administration’s decision not to defend provisions of the Affordable Care Act that protect the tens of millions of Americans with pre-existing conditions. Taken together, these recent actions leave no doubt that the Administration’s goal is to rip coverage away from hard-working Americans and their families.

We urge the Administration to reinstate funding for this critical program and to reconsider program changes to ensure Navigator organizations continue to provide comprehensive information about quality health options through the Marketplace that include guaranteed consumer protections.

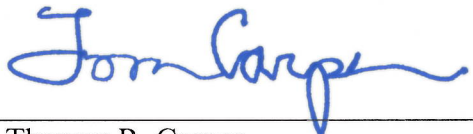
Sincerely,



Tammy Baldwin
United States Senator



Robert P. Casey, Jr.
United States Senator



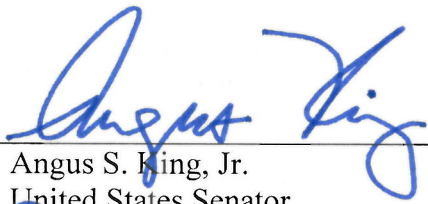
Thomas R. Carper
United States Senator



Bill Nelson
United States Senator

⁸ Levy, Noam M. (May 30, 2018) Trump’s New Insurance Rules are Panned by Nearly Every Healthcare Group that Submitted Formal Comments, *Los Angeles Times* (<http://www.latimes.com/politics/la-na-pol-trump-insurance-opposition-20180530-story.html#>)

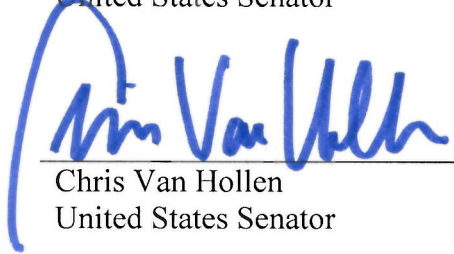
⁹ WisPolitics.com (July 16, 2018) Covering Wisconsin, the state’s largest navigator program, will be reducing its service area from 12 counties to two as a result of the Trump administration cutting funding for navigator programs nationwide. *WisPolitics.com Monday Health Care Report*.



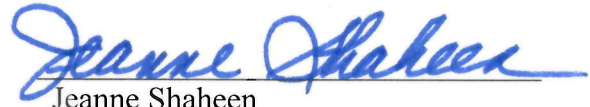
Angus S. King, Jr.
United States Senator



Sherrod Brown
United States Senator



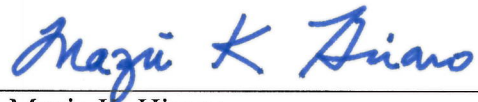
Chris Van Hollen
United States Senator



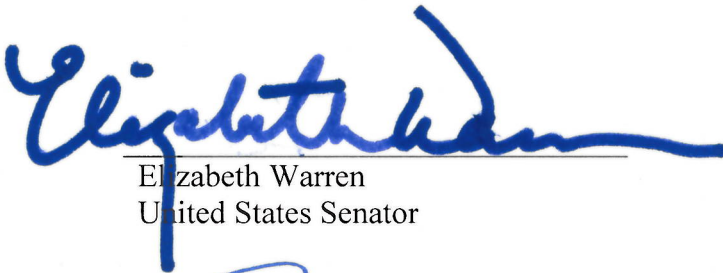
Jeanne Shaheen
United States Senator



Debbie Stabenow
United States Senator



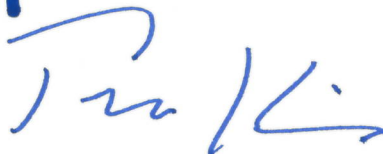
Mazie K. Hirono
United States Senator



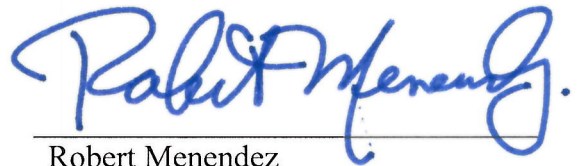
Elizabeth Warren
United States Senator



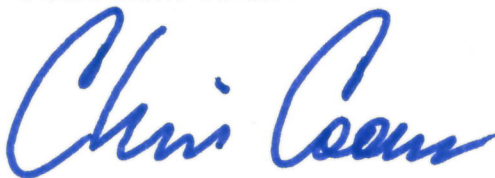
Tammy Duckworth
United States Senator



Tim Kaine
United States Senator



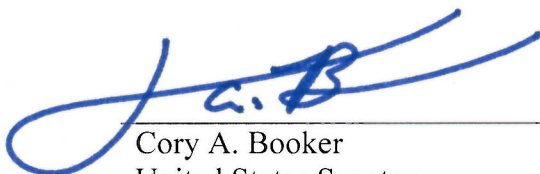
Robert Menendez
United States Senator



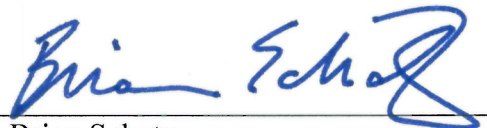
Christopher A. Coons
United States Senator




Margaret Wood Hassan
United States Senator




Cory A. Booker
United States Senator



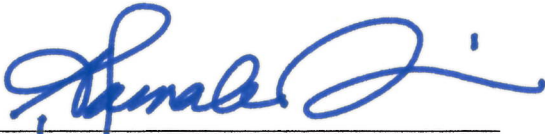
Brian Schatz
United States Senator



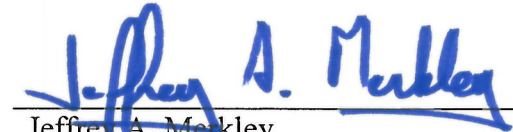
Jon Tester
United States Senator



Gary C. Peters
United States Senator



Kamala D. Harris
United States Senator



Jeffrey A. Merkley
United States Senator