

JON TESTER
MONTANA

COMMITTEES:
APPROPRIATIONS
BANKING
COMMERCE
INDIAN AFFAIRS
VETERANS' AFFAIRS

SENATE HART BUILDING
SUITE 311
WASHINGTON, DC 20510
202-224-2644

tester.senate.gov/contact

United States Senate

June 24, 2019

The Honorable Steven Mnuchin
Secretary
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

The Honorable Alex Azar
Secretary
Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Secretary Mnuchin and Secretary Azar:

I write in support of Montana's application for a Section 1332 State Innovation Waiver for a public reinsurance program. Like much of the nation, Montana's health insurance market has experienced instability over the last several years. Health care costs remain unacceptably high for Montana families and businesses. This waiver is an important step to ensure folks across the state have access to more affordable, quality health care.

The Affordable Care Act's (ACA) Section 1332 allows states to apply for waivers to modify implementation of elements of the ACA. One such modification that several states have implemented to control costs is reinsurance programs that help stabilize premiums by transferring funds to insurance plans with higher-cost enrollees. In response to volatility in the health care marketplace, Montana's state legislature recently passed a bill to authorize a state reinsurance program. I urge you to approve Montana's waiver application to ensure the state can swiftly implement its reinsurance program.

Montana's 1332 waiver has bipartisan support and will help bring down costs for consumers in the individual market. While I support this waiver, I remain concerned about broader changes to Section 1332 waivers that the Administration published in guidance last fall. These "Waiver Concepts" could ease approval of state waiver applications that could lead to less comprehensive coverage, higher costs, coverage losses, and eligible coverage options like short-term junk plans that exclude coverage for pre-existing conditions.

Thank you for your consideration of Montana's application. I stand ready to work with you to further stabilize and improve our health care system for all Americans.

Sincerely,



Jon Tester
United States Senator

CC: Seema Verma, Administrator, Centers for Medicare and Medicaid Services

BILLINGS
(406) 252-0550

BOZEMAN
(406) 586-4450

BUTTE
(406) 723-3277

MISSOULA
(406) 728-3003

GREAT FALLS
(406) 452-9585

HELENA
(406) 449-5401

KALISPELL
(406) 257-3360