

April 23, 2018

The Honorable Alex Azar
Secretary
Department of Health and Human Services
Room 445–G, Hubert H. Humphrey Building
200 Independence Avenue SW
Washington, DC 20201

Re: CMS-9924-P

Re: Short-Term, Limited-Duration Insurance

Dear Secretary Azar:

On behalf of our nearly 38,000 members, the American College of Emergency Physicians (ACEP) appreciates the opportunity to comment on the proposed rule related to short-term, limited-duration insurance as it affects our practice of emergency medicine and the patients we serve. While ACEP supports the goal of increasing access to affordable health insurance, we have significant concerns with the proposal to expand the maximum duration of short-term health plans to no more than 12 months.

Short-term health plans, which are designed for people who experience a temporary gap in health coverage, are not subject to the requirements imposed on plans in the individual group market, including the requirement to cover ten essential health benefits (EHBs). While these plans in the past have served as a bridge for consumers to allow them time to purchase comprehensive insurance, we are extremely concerned about the consequences of allowing the plans to effectively become a replacement for long-term insurance policies. We believe that it is critically important for all insurance plans to cover all ten EHBs. Without such guaranteed coverage, consumers can be left with a narrow set of benefits that do not ensure them access to the items and services they need to manage their health conditions. Consumers who purchase less comprehensive health plans may wind up deferring more routine care or visiting a primary care physician or specialist for more minor conditions or symptoms. Such deferral or delay will often result in their condition or symptoms becoming exacerbated, and eventually result in an unavoidable trip to the emergency department (ED). At this point, due to the progression of their condition, their care in the ED will be much costlier and more complex than if they had earlier access to more routine care in a physician's office.

ACEP understands that short-term health plans typically cover some essential health benefits, such as ambulatory patient services, emergency services, and hospitalizations. However, a Kaiser Family Foundation study, which examined 24

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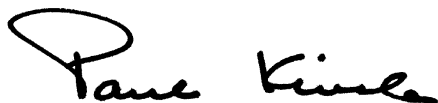
Dean Wilkerson, JD, MBA, CAE

distinct short-term products offered across 45 states and the District of Columbia, found that on average, only 57 percent of these plans cover mental health treatment and 38 percent cover substance abuse services.¹ There is a severe shortage of mental health resources in the United States, and as a result EDs are seeing significant increases in mental health-related visits. In 2015, about 2.1 million ED visits were seen by a mental health provider, and for about 1.5 million ED visits, the result was admission to the mental health unit of a hospital.² EDs face increasing wait times and crowded conditions due to a lack of hospital inpatient beds, a growing elderly population and nationwide shortages of nurses, physicians, and support staff. If individuals can join short-term health plans that do not cover mental health and substance abuse treatment for longer periods of time, this growing problem could be significantly exacerbated, and lead to a crisis point in EDs across the country.

The effect of this proposed rule reaches beyond the short-term health plans themselves, and has a significant impact on plans in the individual market as well. Short-term plans usually attract healthier, less costly consumers, since these individuals can stand to be in a plan that does not provide a comprehensive benefit package. Expanding the availability of these plans will therefore lead to an exodus of healthy people from the individual market, thereby distorting the individual market's risk pool. Such a shock to the individual market could cause plans in the market to increase premiums, provide less generous benefit packages, or leave the market altogether. Thus, some people who remain in individual market plans could also eventually have trouble accessing preventive and other types of services that would prevent them from having to make unavoidable visits to the ED.

As emergency physicians, we understand the important role we play in our communities and take pride in our moral and legal responsibility to treat every patient that walks through our doors. However, we are concerned that as more people lose access to viable, comprehensive insurance options, they will overly rely on the emergency care safety net, which will increase costs in our health care system and put more strain on our already overburdened EDs. Therefore, we strongly urge the Department of Health and Human Services, the Department of Treasury, and the Department of Labor to reconsider the proposal and either rescind the rule entirely or at least require short-term health plans to cover all ten essential health benefits. We appreciate the opportunity to share our comments and look forward to working with you and your staff. If you have any questions, please contact Jeffrey Davis, ACEP's Director of Regulatory Affairs at jdavis@acep.org.

Sincerely,



Paul D. Kivela, MD, MBA, FACEP
ACEP President

C.c. Alexander Acosta, Secretary, Department of Labor
Steven Mnuchin, Secretary, Department of Treasury

¹ Pollitz, Karen, et al. "Understanding Short-Term Limited Duration Health Insurance." Kaiser Family Foundation, 23 Apr. 2018, www.kff.org/health-reform/issue-brief/understanding-short-term-limited-duration-health-insurance/.

² "National Hospital Ambulatory Medical Care Survey: 2015 Emergency Department Summary Tables" Centers for Disease Control, 2015, https://www.cdc.gov/nchs/data/nhamcs/web_tables/2015_ed_web_tables.pdf.