

Congress of the United States
Washington, DC 20510

April 20, 2020

The Honorable Ralph S. Northam
Governor
The Commonwealth of Virginia
Patrick Henry Building
1111 East Broad Street
Richmond, Virginia 23219

Dear Governor Northam:

The Commonwealth has made great strides in improving access to affordable health coverage, building upon the successes of the *Patient Protection and Affordable Care Act* (ACA) passed over ten years ago. Most notably, through the great work of the General Assembly and your Administration, Virginia expanded Medicaid coverage in 2019 which has become a lifeline for hundreds of thousands of Virginians. We commend your Administration and the General Assembly for taking additional steps this year to improve access to affordable health coverage by establishing the Commonwealth's own Marketplace. As you finalize this session, we ask that you keep focus on areas that will strengthen health coverage for all Virginians.

Specifically, we were pleased to see that the Commonwealth will build its own Marketplace, which will better ensure that all Virginians have access to affordable and comprehensive health care plans. In addition, you have proposed Virginia create its own reinsurance program. An Avalere study estimates state-run reinsurance programs have successfully reduced premium costs by 16.9% on average.¹ Further, we remain steadfast that Virginians should have access to the important patient protections provided under the ACA.

We encourage you to look closely at the impact of any policy changes that might weaken broad risk pools imagined in the ACA Marketplace. For example, a 2019 analysis from the non-partisan Congressional Budget Office found that expanding the availability of Association Health Plans (AHPs) would likely cause higher premiums in the ACA Marketplace due to healthy individuals being drawn to less comprehensive options therefore leaving a sicker, higher cost group in the Marketplace risk pool.² All Virginians — and particularly individuals with preexisting conditions, older adults, and women — rely on the comprehensive coverage offered by ACA-compliant plans.

As Virginia, and every other state across the country, grapples with the response to COVID-19, we are once again reminded about the importance of comprehensive, affordable health coverage. We know broad access to affordable testing and treatment for COVID-

¹ <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-16-9-on-average>

² https://www.cbo.gov/system/files/2019-01/54915-New_Rules_for_AHPs_STPs.pdf

19 are paramount in the ability to respond to this pandemic. Further, as individuals with chronic conditions are more at risk for COVID-19, it is more important than ever to ensure they have access to ample coverage to manage their conditions and stay healthy.

The bottom line is that we all have the same goal: to reduce health care costs for Virginians and their families while ensuring all have adequate coverage. However, any policy which may ultimately result in some individuals paying less for less comprehensive plans, while others, including older adults, women, and those with preexisting conditions, pay more is not a fair or sustainable approach to health care in Virginia. We look forward to working with you to protect and improve health coverage for all Virginians and their families.

Sincerely,

Mark R. Warner
U.S. Senator

Robert C. "Bobby" Scott
Member of Congress

Tim Kaine
U.S. Senator

Gerald E. Connolly
Member of Congress

Donald S. Beyer Jr.
Member of Congress

A. Donald McEachin
Member of Congress

Jennifer Wexton
Member of Congress

Elaine Luria
Member of Congress

cc: Virginia General Assembly