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Specialists in Arthritis Care & Research
2200 Lake Boulevard NE • Atlanta, GA 30319-5312
Phone: (404) 633-3777 • Fax: (404) 633-1870
www.rheumatology.org • info@rheumatology.org

April 23, 2018

Ms. Seema Verma
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
P.O. Box 8011
Baltimore, MD 21244-1850

Submitted via: regulations.gov

Re: [CMS-9924-P] Short-Term, Limited-Duration Insurance

Dear Administrator Verma,

The American College of Rheumatology (ACR), representing over 9,500 rheumatologists and health professionals, appreciates the opportunity to provide input on the *Short-Term, Limited-Duration Insurance* (STLDI) proposed rule. Rheumatologists provide care for millions of Americans, both adults and children, and are the experts in diagnosing, managing and treating arthritis and rheumatic disease. These life-long, chronic conditions include rheumatoid arthritis, systemic lupus erythematosus, and vasculitis. Rheumatologic diseases including arthritis are the leading cause of disability in the United States, and early and appropriate treatment by a rheumatologist is vital to controlling disease activity, preventing and slowing progression, improving patient outcomes, and reducing the need for costly downstream procedures and care. Rheumatologists and other licensed rheumatology providers practice in every state, the District of Columbia, and Puerto Rico, and in communities urban and rural, providing critical care for people with diseases that can be crippling, life changing, and life threatening.

Health policy proposals should promote and protect access to adequate and affordable health insurance. In particular, the ACR recommends that all Americans should be covered by sufficient, affordable, and continuous health insurance that encourages high quality, high value health care – including treatment for arthritis and rheumatic diseases with access to a rheumatologist and other rheumatology health professionals for both consultative and maintenance care. Early and continuous treatment for many forms of chronic arthritis and rheumatic diseases is necessary to maintain function and prevent later more expensive complications of disease. We are seriously concerned that if Short-Term, Limited-Duration Insurance (STLDI) plans move forward as outlined in the proposed rule, then the essential health benefits that are vital to individuals living with rheumatic disease – such as rehabilitation, prescription medicines and lab testing (for diagnosis and subsequent monitoring of disease activity and medication toxicity) – could be reduced or restricted to the detriment of patients who require access to these services. Additionally, we have concerns regarding consumer protections and discrimination from STLDI plans. Please find our specific comments in the subsequent paragraphs.

The proposed rule states that short-term coverage will be unlikely to include the elements of PPACA-compliant plans, such as community rating, preventive care, maternity care, prescription drug coverage,

rating restrictions, and guaranteed renewability. It is also noted that consumers who enroll in short-term coverage and then develop chronic conditions could face financial hardship until they are able to enroll in a PPACA-compliant plan, which would provide the coverage they need. These services are of the utmost importance to patients with complex chronic diseases such as rheumatoid arthritis. In particular, we are concerned that these policy changes will have an adverse effect on coverage for critical drugs needed by our patients with arthritis. An unintended consequence of this action could be a plan allowing only one drug per class to be covered or to not cover prescription drugs at all. Such a decision would significantly impact treatment efficacy, access, choice, and patients' health.

The decision to choose one biologic over another requires careful clinical evaluation and consideration by a physician and patient. Patient factors that strongly influence this choice include but are not limited to an individual patient's age, gender, diagnosis and comorbid conditions, concomitant medications, specific organ manifestations, antibody status, disease severity and burden, physical or psychological abilities, access to transportation, and ability to tolerate a particular route of administration. Further, if a patient with rheumatoid arthritis is unable to access critical biologic or biosimilar medications, they may face irreversible joint damage and disability. Clinical decisions about treatments must be left to the provider, and entities such as insurers or states should not be able to determine the treatment of the patient, nor should they mandate use of one therapy over another. The ACR strongly cautions against any proposals that weaken or remove the current essential health benefits requirements. We are concerned that STLDI plans will not provide appropriate benefits and continuity of care to people living with rheumatic diseases.

We recognize that extending coverage from three months up to twelve months may provide some individuals with more gap coverage than previously available, but we do not believe this coverage would provide benefits that most rheumatology patients need. In addition, the ACR is concerned that the risk of confusion is substantially increased if these policies can be sold for up to 12 months, instead of the current 3 months, which closely mimics what consumers expect from major medical coverage. The agencies have similarly stated their concern that short-term, limited-duration insurance policies that provide coverage lasting almost 12 months may be more difficult for some individuals to distinguish from PPACA-compliant coverage, which is typically offered on a 12-month basis. Therefore, if this rule is finalized, we urge the agencies to change the 14-point type notice to consumers to include a notice that "***this plan may not cover any of the below,"*** and include a list of PPACA required essential health benefits.

We also suggest that consumer-oriented price information be placed in each plan, such as ***"if you develop a disease or condition during this coverage period, you may not be eligible for benefits such as specialty drugs for rheumatoid arthritis that afflicts 1% of Americans and which can cost $58,000 per year (Good Rx[i])".*** To make the difference in plans even more clear we urge the agencies to use graphics such as a table comparing STLDI plan benefits with what would be provided under the PPACA compliant coverage. We recommend that the consumer table clearly show difference between plans by noting qualities of individual market plans that are not present in STLDI plans, such as the following individual market qualities: guaranteed issue such that any individual must be accepted; no exclusion of coverage for a service related to a pre-existing condition; coverage of essential health benefits as defined in the ACA; no application of annual or lifetime dollar maximums limiting coverage; and inclusion of maximum out-of-pocket expenditures for individuals and families. We believe this approach would help better educate consumers regarding the health insurance plan that they are considering purchasing. We also request more clarity on what the agencies mean by "prominently displayed" in the contract and any

application materials. We encourage the agencies to provide specific guidance to plans regarding content and location of the required notice.

Finally, the agencies state that individuals who are likely to purchase short-term, limited-duration insurance are likely to be relatively young or healthy. We urge the agencies to consider how healthy individuals leaving the exchanges to purchase STLDI plans would affect market stability and premiums for those still in the health exchange. Potentially, our patients with diseases such as rheumatoid arthritis could see an upward swing in their premiums, causing further affordability and access issues. The ACR continues to support access to coverage that improves the patient's experience in the health care system. We caution the agencies against any policies that would cause barriers to patients receiving access to continuous insurance coverage and high-quality care and treatments. We stand ready to work with you to ensure this high quality. One potential solution to increase access, affordability, and choice of insurance plans would be to allow access to plans longer than 3 months that offer essential health benefits.

The ACR is dedicated to ensuring that patients with arthritis and rheumatic diseases have access to continuous comprehensive high-value and high-quality care. We appreciate the work that the Internal Revenue Service, Department of the Treasury; Employee Benefits Security Administration, Department of Labor; Centers for Medicare & Medicaid Services, and Department of Health and Human Services does and the opportunity to respond to the *Short-Term, Limited-Duration Insurance* (STLDI) proposed rule. We look forward to being a resource to you and to working with the agency as this rule is finalized. Please contact Kayla L. Amodeo, Ph.D., Director of Regulatory Affairs, at kamodeo@rheumatology.org or (202) 210-1797 if you have questions or if we can be of assistance.

Sincerely,

David I. Daikh, MD, PhD
President, American College of Rheumatology

[i] https://www.goodrx.com/tnf-blockers