

June 12, 2019

The Honorable Susan Collins
Senator
United States Senate
413 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Collins:

On behalf of the members of the National Association of Insurance Commissioners (NAIC) we write to express our support for your continued efforts to help improve the individual health insurance markets in our states through the funding of state stabilization programs.

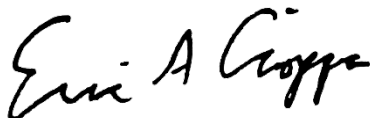
While many states have seen more stable premium rates and carrier participation over the past two years, the fact remains that in all states premiums continue to be significant for those who do not receive federal subsidies. This has resulted in shrinking individual markets and less stable risk pools. Action must be taken to make coverage more affordable or we will see even higher uninsured rates, more people move to less-regulated plans, and sicker individual market pools.

This is why commissioners from across the political spectrum have contacted their congressional delegations, testified before House and Senate committees, and urged federal policymakers to take immediate action to stabilize the individual health insurance market. In particular, we support your proposal to provide federal funding for state stabilization programs, as well as for grants to help states develop innovative solutions through Section 1332 waivers. We also support the creation of a federal program to assist consumers in states unable to implement their own program quickly.

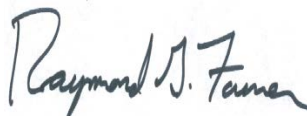
State reinsurance programs and invisible high-risk pools have already proven their effectiveness. According to a recent Avalere study, the seven states that have already implemented a program through a Section 1332 waiver using state funds have reduced premium by almost 20%. Additional federal funding, as outlined in your bill, would provide even more benefit to consumers, and extend the benefits to all states.

Creating a federal market stabilization program is a cost-effective way to significantly reduce individual market premiums, thus making coverage more affordable to unsubsidized individuals and families and growing the individual market pool. We have seen it work in the handful of states that have implemented such programs; it is time to implement it nationwide.

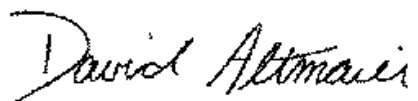
Sincerely,



Eric A. Cioppa
NAIC President
Superintendent
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Raymond G. Farmer
NAIC President-Elect
Director
South Carolina Department of Insurance



David Altmaier
NAIC Vice President
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