

Attorney Staff:
CYNTHIA GIBSON
MANAGING ATTORNEY/
HEALTH LAW SPECIALIST

ANNA L. B. ENSLEY
SUPERVISING ATTORNEY

STAFF ATTORNEYS
MARCY MULLER
CASSANDRE DAMAS
GINA HOLT

Non-Attorney Staff:
KATHRYN BENNETT
REGIONAL OPERATIONS MANAGER

MARIBEL QUIÑONEZ
EDELMIRA ALVAREZ
MARCIA GIDDENS
AMBERLE DILLARD
YESENIA SALAISES
NANCY SOTO

GEORGIA LEGAL SERVICES PROGRAM®
DALTON REGIONAL OFFICE

219 W. Crawford St.,
P. O. BOX 2004
DALTON, GEORGIA 30722-2004
(706) 272-2924
1-888-408-1004 (for clients only)
FAX (706) 272-2259
TDD 1-800-255-0056
<http://www.glsp.org>

RICHARD M. RUFOLO
EXECUTIVE DIRECTOR
(not admitted in Georgia)

IRA L. FOSTER
GENERAL COUNSEL/DEPUTY DIRECTOR

BOARD OF DIRECTORS
TERRICA R. GANZY
PRESIDENT
SETH BRUCKNER,
VICE PRESIDENT
PATRICK DAVENPORT
VICE PRESIDENT
M. FAYE MCCORD
TREASURER
TENNEL LOCKETT
SECRETARY

WILLIAM H. "BERT" GREGORY, II
AT-LARGE
NETTIE WILLIAMS
AT-LARGE

NON-ATTORNEY MANAGEMENT STAFF
JANE B. BONNER
DIRECTOR OF HUMAN RESOURCES
JEANETTE BURROUGHS, CFRE
DIRECTOR OF DEVELOPMENT
MAGGIE MORRIS
DIRECTOR OF FINANCE
JOSEPH MAYS
DIRECTOR OF INFORMATION
TECHNOLOGY

November 25, 2019

Ryan Loke
c/o The Office of the Governor
206 Washington Street
Suite 115, State Capital
Atlanta, GA 30334

RE: Public Comment on Georgia's Section 1332 Waiver Application.

Dear Mr. Loke:

Thank you for the opportunity to comment on Georgia's Proposed Section 1332 Waiver. Georgia Legal Services Program is a non-profit law firm that represents low-income Georgians in 154 of Georgia's 159 counties. Through our representation of clients, we become aware of the challenges that face Georgia's low-income citizens. These comments are based on the real life knowledge we have gained through representation of low-income Georgians in health related and other cases.

The Georgia Access Model proposes to: 1. Get rid of a centralized website, HealthCare.gov; 2. Replace the centralized website with multiple websites operated by for profit entities; 3. Allow non-Qualified Health Plans (QHPs) to be sold alongside QHPs; 4. Provide state subsidies to those with incomes greater than 400% of the federal poverty level; and 5. Cap the total federal and state subsidies available to all Georgians. The Model is proposed to provide the most relief/assistance to Georgians who earn over 400% of the federal poverty level even though only

LSC | America's Partner
for Equal Justice
LEGAL SERVICES CORPORATION

The Georgia Legal Services Program is a nonprofit corporation whose mission is to provide civil legal services for persons with low incomes, creating equal access to justice and opportunities out of poverty.

Serving Catoosa, Chattooga, Dade, Murray, Walker, and Whitfield Counties
Serving only senior citizens in Bartow, Fannin, Floyd, Gilmer, Gordon, and Pickens Counties

AN AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER M/F/V/H

Letter To: Ryan Loke

Page: 2

Date: November 25, 2019

4.7% of that population is uninsured.¹ These comments will focus on how the proposed waiver may affect the low-income Georgians we serve whose uninsured rate is 24.5% for those with income between 100 and 138% of the federal poverty level (FPL) and 15.6% for those with income between 139 and 399% of the FPL²

Getting rid of HealthCare.gov and replacing it with multiple web sites designed, maintained, and monitored by for profit insurance brokers and providers will cause confusion and lead many low-income Georgians to unknowingly select non-QHPs.

Georgia suggests that HealthCare.gov is not working by citing a 22% decrease in enrollment through the website since 2016. However, the website did not cause the decline; it is more directly attributable to the tremendous reduction of federal funds for outreach and enrollment assistance since 2016³. Unlike some states, Georgia did not expend any state funds to replace the over \$3.1 million reduction in federal funds for outreach and enrollment assistance.

The proposed Model envisions that for profit entities will expend funds for outreach and enrollment activities, thereby saving the State money. I agree that the current waiver creates a financial incentive for insurance brokers and companies to advertise their plans and sign up as many Georgians as possible. However, they do not have any incentive to assist consumers in choosing the best plan for their situation and many will push those plans that pay the highest commission or create the highest profit.

HealthCare.gov allows consumers to compare all available plans, knowing that all of the plans provide the same coverage. This allows consumers to make an informed choice based on provider network and cost. Under the proposed Model, consumers will have to go to multiple websites and may not realize the site is offering QHPs and non-QHPs. There is no simple way for the consumer to find that another provider/broker offers a plan that would be better for them at a similar or lower cost. Furthermore, brokers and providers do not reveal their commission or profit on each plan. Many consumers, especially lower income Georgians, will rely on the advice of the “expert” assisting them and will be easily steered toward plans that provide less coverage, but increase the commission or profit of the seller.

Georgia should not completely abandon the idea behind HealthCare.gov by going back to how health insurance was marketed and sold before the Affordable Care Act. If Georgia believes that HealthCare.gov is not working for Georgia, I urge it to replace it with a site run by the State (or a contracted non-profit) that will allow consumers to compare all health plans available, including QHPs and non-QHPs. Additionally, the website must clearly identify non-QHPs and clearly state what essential health benefits are not covered. By offering this unbiased information on one site, consumers can continue to make informed decisions about their health insurance.

¹ https://gbpi.org/2019/leverage-1332-waivers-to-make-health-insurance-more-affordable-and-accessible/#_edn11

² Id.

³ Pollitz, K., Tolbert, J. & Diaz, M. (2018). Data Note: Further Reductions in Navigator Funding for Federal Marketplace States. Retrieved from <https://kff.org/a1bf174>

Letter To: Ryan Loke

Page: 3

Date: November 25, 2019

Offering subsidies on non-QHP plans will harm the sickest Georgians by increasing the cost of QHPs and possibly reducing the number of QHPs available.

Offering subsidies on non-QHPs will lead to younger, healthier consumers choosing a non-QHP over a QHP. For example, a healthy 30-year-old Georgian who does not need mental health treatment, does not plan to get pregnant, and does not take any prescription drugs may choose a non-QHP that does not offer any of those benefits. Because the non-QHP offers a subsidy just like the QHP, it is \$50.00 per month cheaper. Virtually all young, healthy, low-income Georgians will opt for non-QHPs to save \$50.00 per month.

The waiver acknowledges that offering subsidies on non-QHPs will increase premiums for QHP plans, but states it expects the plan premium for QHPs to increase by 1%. It seems that percentage is unlikely. Even if only 50% of young, healthy Georgians who currently have QHPs opt for subsidized non-QHPs, the risk pool for QHPs has been dramatically changed. Is the State willing to offer additional state subsidies to protect low income Georgians from unintended consequences of this waiver, should premiums for QHPs increase by more than 1%?

Additionally, once insurers are free to sell more profitable non-QHPs they may reduce or eliminate their QHP plans. Georgia should require all providers offering non-QHPs to also offer QHPs.

As long as Georgia contends that it is too expensive to fully expand Medicaid and allow all low-income Georgians access to health care, it should not implement state subsidies for those making over 400% of the FPL.

As of 2017, only 37% of Georgians had income over 400% of the FPL.⁴ Of that 37%, only 4.7% are uninsured. When the State is asking all state agencies to reduce their budgets, should the State be subsidizing health insurance for higher income Georgians? The reinsurance portion of this waiver should also reduce premiums for higher income Georgians. Georgia should wait and see what effect the reinsurance program has on premiums for higher income Georgians; especially when it anticipates it may not have sufficient funds to provide subsidies for all low-income Georgians as discussed below.

Georgia must provide, at least, the same subsidies that are currently available to low-income Georgians.

Currently, all low-income Georgians who qualify for a premium subsidy and cost sharing assistance receive that assistance. This waiver proposes to place a cap on the amount of money available for premium subsidies (no mention of cost sharing assistance) while allowing subsidies for non-QHPs and for those who make more than 400% of the FPL. The waiver states

⁴ <https://www.kff.org/other/state-indicator/population-up-to-400-fpl/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

Letter To: Ryan Loke

Page: 4

Date: November 25, 2019

that subsidies will be provided on a first come, first served basis and once the money is exhausted, a waiting list will be created.

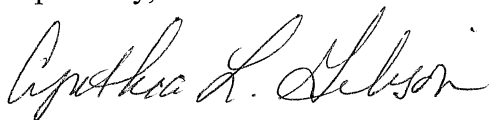
Capping subsidies will harm low-income Georgians. A low-income Georgian who is placed on a waiting list for a subsidy will not be able to afford health insurance and will have no choice but to go uninsured. Once going uninsured, s/he will have to wait until the next open enrollment period to enroll again and maybe obtain a subsidy. Upper income Georgians can afford the premiums while waiting on a subsidy; therefore, a waiting list will only benefit upper income Georgians who least need the assistance. Furthermore, Georgians who earn more than 400% of the FPL are much more likely to have high-speed internet access at home along with a computer making it much easier to apply for health insurance and more likely that they will be among the first to apply and receive subsidies.

Georgia could place a cap on subsidies available to those earning over 400% of the FPL, but should not harm low-income Georgians by placing a cap on the subsidy available to them. All low-income Georgians who are currently eligible for premium and cost sharing assistance must maintain that eligibility or Georgia is taking a giant step backward in providing health insurance to all its citizens.


We submit these comments based upon our experience in representing low-income clients outside of the metro Atlanta area with the hope that this waiver can help the most needy Georgians.

We appreciate your consideration of our comments and would be happy to provide any further information that may be useful to you as you finalize the waiver.

Respectfully,



Cynthia L. Gibson
Managing Attorney/Health Law Specialist
Dalton Regional Office



Vicky O. Kimbrell
Director of Family Violence Project
Central Office

*by cly
w/ express
permission*