

July 23, 2020

Via Overnight Mail and Online Webform at

<https://medicaid.georgia.gov/patients-first-act-public-comment>



Brian P. Kemp, Governor
Office of the Governor
c/o Ryan Loke
206 Washington Street
Suite 115
State Capitol
Atlanta, Georgia 30334

Re: Modified Reinsurance and Georgia Access Model – State Relief and Empowerment Waiver (Section 1332 Waiver)

Dear Governor Kemp:

On behalf of the Georgia Hospital Association (GHA) and its 161 hospital and health system members, we welcome the opportunity to submit comments on the modified State Relief and Empower Waiver: Reinsurance and Georgia Access Model (the “Modified 1332 Waiver”). **GHA appreciates the state’s hard work under the *Patients First Act* to develop a Georgia solution to reduce premiums, increase coverage, and promote a more competitive private insurance marketplace.**

Prior to the COVID-19 pandemic, Georgia had the second highest percentage of uninsured residents in the nation,¹ and health insurance premiums on the individual market are unaffordable for many. This is a significant contributor to the current health care crisis in our state, which has led to seven hospital closures since 2010 and resulted in a rank of 46 out of 50 for access to quality health care and preventative services.² Unfortunately, the COVID-19 pandemic has exacerbated the crisis. Significant rates of unemployment will likely add to the numbers of uninsured Georgians, and hospitals nationwide are estimated to incur at least \$323.1 billion in losses by the end of 2020.³

¹ Kaiser Family Foundation, *2018 Health Insurance Coverage of the Total Population*, <https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D> (last visited July 17, 2020).

² GEORGIA DEPARTMENT OF COMMUNITY HEALTH WAIVER PROJECT, *GEORGIA ENVIRONMENTAL SCAN REPORT* (2019).

³ American Hospital Association, *Hospitals and Health Systems Continue to Face Unprecedented Financial Challenges due to COVID-19*, <https://www.aha.org/press-releases/2020-06-30-new-aha-report-losses-deepen-hospitals-health-systems> (last visited July 17, 2020).

Georgia Hospital Association

1675 Terrell Mill Road, Marietta, Georgia 30067 / Phone: 770-249-4500 / Fax: 770-955-5801 / <http://www.gha.org>

The *Patients First Act* provides the state with a historic opportunity to not only increase access to affordable, comprehensive health care coverage, but also improve the overall health of Georgia citizens in all parts of the state. With these goals in mind, **GHA supports the state's Modified 1332 Waiver.**

GHA Supports the Modified 1332 Waiver's Phase I Reinsurance Program

As we noted in our comments to the state's original 1332 waiver application, the tiered reinsurance program in the Modified 1332 Waiver will help improve the health of Georgians both by increasing coverage and allowing those who already have coverage afford to use it. While we would have liked to see the Phase I Reinsurance Program implemented for plan year 2021, as originally proposed, we understand the changing landscape and ongoing pandemic make this impossible. For these reasons, **GHA strongly supports the reinsurance program in the Modified 1332 Waiver.**

GHA Supports the Georgia Access Model in Phase II of the Modified 1332 Waiver

The Modified 1332 Waiver significantly streamlines the Georgia Access Model and addresses most of the recommendations in our comments to the original 1332 waiver application. The changes remove much of the uncertainty regarding the permissibility of the waiver and simplify the administration obligations on the state. **GHA strongly supports the changes to Phase II of the Modified 1332 Waiver, and we recommend that the state similarly streamline the process for consumers to compare all the plans available to them.**

Once implemented, the Georgia Access Model will also be complex for individuals purchasing insurance. While the federal Marketplace can be confusing, it does provide a centralized location where individuals can compare plans offered by different insurers. The ability to easily compare plans will be even more important under the Georgia Access Model because there will likely be more plans to compare. We recognize that creating a similar state exchange would in and of itself be a costly and time-consuming endeavor. However, relying solely on the free market will likely require individuals to search multiple websites, brokers or insurers in order to truly compare all available plan options. **We continue to urge the state to consider incentives for brokers to create online, telephonic and in-person mechanisms for individuals to compare all available plans in their geographic area.**

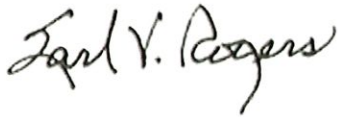
GHA appreciates the state's work to create an innovative Modified 1332 Waiver that lowers premiums and "capitalizes on commercial market resources and maximizes state flexibility and oversight to drive innovation in access, affordability, and customer service, placing the unique needs of Georgia's residents at the center."⁴ We look forward to continuing to work with the

⁴ OFFICE OF THE GOVERNOR, GEORGIA SECTION 1332 WAIVER APPLICATION, 7 (2019), <https://gov.georgia.gov/document/document/georgia1332draftwaiver11042019pdf/download>.

GHA Comments on Modified 1332 Waiver
July 23, 2020
Page 3 of 3

state to help implement these important programs in an efficient and effective manner. Please feel free to contact me at 770-249-4531 or erogers@gha.org with any questions or if you desire to discuss these comments further.

Respectfully submitted,

A handwritten signature in black ink that reads "Earl V. Rogers". The signature is written in a cursive style with a large, stylized "E" and "R".

Earl V. Rogers
President and CEO

cc: Ryan Loke, Special Projects, Office of the Governor
Kevin L. Bierschenk, Board Chair, Georgia Hospital Association