



April 12, 2017

The Honorable Paul D. Ryan  
Speaker of the House of Representatives  
House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Democratic Leader  
House of Representatives  
Washington, D.C. 20515

The Honorable Charles E. Schumer  
Democratic Leader  
United States Senate  
Washington, D.C. 20510

Dear Mr. Speaker, Majority Leader McConnell, Madam Leader, and Minority Leader Schumer:

As providers of healthcare and coverage to hundreds of millions of Americans, we share many core principles and common priorities. We believe that every American deserves affordable coverage and high-quality care. We stand ready to work with all members of Congress and the Administration to keep this commitment.

A critical priority is to stabilize the individual health insurance market. The window is quickly closing to properly price individual insurance products for 2018.

**The most critical action to help stabilize the individual market for 2017 and 2018 is to remove uncertainty about continued funding for cost sharing reductions (CSR).** Nearly 60 percent of all individuals who purchase coverage via the marketplace – 7 million people – receive assistance to reduce deductibles, co-payments, and/or out-of-pocket limits through CSR payments. This funding helps those who need it the most to access quality care: low- and modest-income consumers earning less than 250 percent of the federal poverty level. If CSRs are not funded, Americans will be dramatically impacted:

- Choices for consumers will be more limited. If reliable funding for the CSRs is not provided it may impact plan participation which would leave individuals without coverage options.
- Premiums for 2018 and beyond will be higher. Analysts estimate that loss of CSR funding alone would increase premiums for all consumers – both on and off the exchange – by at least 15 percent. Higher premium rates could drive out of the market those middle-income individuals who are not eligible for tax credits.

- If more people are uninsured, providers will experience more uncompensated care which will further strain their ability to meet the needs of their communities and will raise costs for everyone, including employers who sponsor group health plans for their employees.
- Hardworking taxpayers will pay *more*, as premiums grow and tax credits for low-income families increase, than if the CSRs are funded.

**We urge Congress and the Administration to take quick action to ensure CSRs are funded.**

We are committed to working with you to deliver the short-term stability we all want and the affordable coverage and high-quality care that every American deserves. But time is short and action is needed. By working together, we can create effective, market-based solutions that best serve the American people.

Sincerely,

America's Health Insurance Plans  
 American Academy of Family Physicians  
 American Benefits Council  
 American Hospital Association  
 American Medical Association  
 Blue Cross Blue Shield Association  
 Federation of American Hospitals  
 U.S. Chamber of Commerce

cc: The Honorable Thad Cochran, Chairman, Senate Committee on Appropriations  
 The Honorable Patrick Leahy, Vice Chairman, Senate Committee on Appropriations  
 The Honorable Orrin G. Hatch, Chairman, Senate Committee on Finance  
 The Honorable Ron Wyden, Ranking Member, Senate Committee on Finance  
 The Honorable Lamar Alexander, Chairman, Senate Committee on Health, Education, Labor, and Pensions  
 The Honorable Patty Murray, Ranking Member, Senate Committee on Health, Education, Labor, and Pensions

The Honorable Kevin McCarthy, Majority Leader, House of Representatives  
 The Honorable Steve Scalise, Majority Whip, House of Representatives  
 The Honorable Steny H. Hoyer, Democratic Whip, House of Representatives  
 The Honorable Rodney P. Frelinghuysen, Chairman, House Committee on Appropriations  
 The Honorable Nita Lowey, Ranking Member, House Committee on Appropriations  
 The Honorable Greg Walden, Chairman, House Committee on Energy and Commerce  
 The Honorable Frank Pallone, Jr., Ranking Member, House Committee on Energy and Commerce  
 The Honorable Kevin Brady, Chairman, House Committee on Ways and Means  
 The Honorable Richard E. Neal, Ranking Member, House Committee on Ways and Means