



April 11, 2017

The Honorable Tom Price  
Secretary  
U.S. Department of Health & Human Services  
200 Independence Avenue Southwest  
Washington, D.C. 20201

Dear Secretary Price:

We would like to thank you for your service and for the time and attention that you have given to health policy changes that could affect our state, industry and, most importantly, the people of Washington.

We would like to call your attention to a matter of vital importance to the Exchange as well as our health insurance market as a whole: the continuation of Cost Sharing Reduction (CSR) Funding.

Washington state carriers are already hard at work making business decisions on whether to participate in our state's insurance market. They must file their products and pricing by June with the Office of the Insurance Commissioner. A critical factor in these decisions is whether current funding will continue uninterrupted until Congress enacts broader health reforms.

Without knowing the fate of CSR payments, our state's carriers cannot price their products or commit to remaining in the current market. This has a huge impact on our customers as 70,000 of all individuals purchasing coverage on *Washington Healthplanfinder*, our state-based marketplace, receive CSR assistance to reduce copayments, deductibles and out-of-pocket costs. Should these payments cease, carriers would have to make up the loss through significant premium increases that offset the risk.

With this in mind, we request that you take the necessary steps to implement a permanent fix to this issue as soon as possible by continuing to fully fund CSRs, without interruption, through a similar mechanism as the Advanced Premium Tax Credits.

We further request that federal funding be provided to stabilize the individual market through a nationally administered reinsurance program or fund. This would have the dual benefit of lowering premiums for consumers and reducing federal outlays for tax credit payments.

Addressing these issues, and continuing to enforce the personal responsibility requirement, will enable the Exchange to continue to improve competition, consumer choice and affordability for individuals and families who rely on individual market coverage. In its absence, 2018 could potentially be a catastrophic year for thousands of individuals and instability in the individual market could continue for years to come.

The future of our individual market rests largely on the actions of Congress and the Administration.

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Again, thank you for your due diligence on this issue. We welcome further discussion on stabilizing the health insurance market.

Sincerely,



Ron Sims  
Chair  
Washington Health Benefit Exchange Board



Pam MacEwan  
Chief Executive Officer  
Washington Health Benefit Exchange

cc: Washington State Congressional delegation members  
Washington Health Benefit Exchange Board  
Bill Hinkle, appointed by Senate Republicans  
Don Conant, Ph.D., appointed by House Republicans  
Melissa Cunningham, J.D., appointed by Senate Republicans  
Phil Dyer, appointed by House Republicans  
Ben Danielson, M.D., appointed by House Democrats  
Diane Zahn, appointed by Senate Democrats  
Hiroshi Nakano, appointed by House Democrats  
Mark Stensager, appointed by Senate Democrats  
Mike Kreidler, Washington State Insurance Commissioner, ex officio  
Dorothy Teeter, Director, Washington State Health Care Authority, ex officio