

November 18, 2013

The Honorable Chester A. McPherson  
Acting Commissioner  
Department of Insurance, Securities, and Banking  
810 First Street, NE  
Suite 701  
Washington, DC 20004

Dear Commissioner McPherson,

As organizations that serve and advocate for residents of the District of Columbia, we write to express our concern over the option provided to states on November 14, 2013 by the Center for Consumer Information and Insurance Oversight (CCIIO) to allow insurers to revive non-ACA and non-District compliant health plans for the 2014 plan year. This option would threaten the affordability and quality of health coverage for residents, small businesses owners, and small business employees, and undermines the District's efforts to ensure critical consumer protections for all health plans sold in DC. **We therefore encourage you and DC Health Link to not exercise the option to permit non-ACA compliant plans to be sold in 2014. Instead, we urge you to continue with the market transition plan as laid out in the Better Prices, Better Quality, Better Choices for Health Coverage Emergency Act of 2013.**

The District is a national leader in ensuring access to health coverage for its residents and implementing the Affordable Care Act. While marketplace implementation has not been smooth in every state, the roll-out of DC Health Link has been quite effective with residents enthusiastically browsing for plans, applying for subsidies, and enrolling into coverage. Already more than 20,000 people have created accounts. Rates on DC Health Link are competitive and the District is on its way to having robust quality standards that will protect consumers no matter what plan they purchase. Additionally, DC's essential health benefits addresses a long-time concern of inadequate coverage, especially in the area of mental health and substance abuse treatment. No longer will plans have day or visitation limits on these types of services.

Allowing non-ACA compliant plans to continue in the marketplace would create substantial problems. First, non-compliant plans are likely to provide inferior coverage relative to plans on DC Health Link, because they do not have to meet standards such as network adequacy and mental health parity. Second, allowing non-ACA compliant plans to be sold would weaken the ability of DC Health Link to create a fully competitive market that keeps health plans affordable. For example, if younger residents with minimal health plans are allowed to keep them, rather than purchasing a plan through DC Health Link, this adverse selection against the exchange could lead to dramatic rate increases between 2014 and 2015. Finally, reopening cancelled policies may also be administratively burdensome for insurers and cause confusion among consumers at a delicate time during this initial 2013 open enrollment.

The District is an example of how the ACA can effectively reorganize the marketplace to promote competition and quality that is in the consumer's best interest; it should not change course now. Already, the Better Prices Act of 2013 lays out a transition period for small businesses debating between entering DC Health Link or remaining in the outside market, and ensures that individuals and families can immediately purchase the coverage they need at prices they can afford. The District's 2014 market structure ensures price stability and transparency, and any delays in adopting full compliance with the ACA and DC's local marketplace statute would undermine those effects and subvert DC's efforts to protect consumers. For these reasons, we ask that you continue to enforce 2014 marketplace standards required by the ACA for all plans sold in the District.

We would like to thank you for your dedication to the health of DC residents, and hope that you will help the District maintain its leadership in innovation and coverage by supporting DC Health Link's growing success.

Sincerely,

DC Behavioral Health Association  
DC Coalition on Long Term Care  
DC Fiscal Policy Institute  
Family and Medical Counseling Service, Inc.  
Family Voices of the District of Columbia, Inc.  
Greater Washington Society of Clinical Social Workers  
Health Care for America Now  
Hemophilia Association of the Capital Area  
Hemophilia Federation of America  
La Clinica del Pueblo  
Mid Atlantic American Heart Association  
National Women's Law Center  
United Spinal Association

**CC:**

**The Honorable Vincent Gray, Mayor of the District of Columbia**  
**Mila Kofman, Executive Director, DC Health Benefit Exchange**  
**Christopher Murphy, Chief of Staff, Executive Office of the Mayor**  
**Debra Curtis, Deputy Director for Policy and Exchange Programs, DC Health Benefit Exchange**  
**Michael Flagg, Communications Director, Department of Insurance, Securities, and Banking**