



March 10, 2023

Danielle Holahan  
Executive Director  
NY State of Health  
Empire State Plaza  
Corning Tower, Room 2580  
Albany, NY 12237

**Attn: New York 1332 Waiver**

Dear Executive Director Holahan:

Thank you for the opportunity to provide feedback on the New York 1332 waiver application.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions. We have a unique perspective on what individuals and families need to prevent disease, cure illness and manage chronic health conditions. The diversity of our organizations and the populations we serve enable us to draw upon a wealth of knowledge and expertise that is an invaluable resource regarding any decisions affecting the Affordable Care Act, the Basic Health Program and the people that they serve.

Our organizations are committed to ensuring that New York's healthcare programs provide quality and affordable healthcare coverage. We believe the state's proposal to use a Section 1332 waiver to expand its Essential Plan to more New Yorkers will advance these objectives. Once implemented, New York's waiver should reduce the number of people without insurance, substantially lower healthcare costs for at least 65,000 individuals each year, and improve health equity, while satisfying the federal guardrail protections governing waivers.

New York's proposal will lower healthcare costs for individuals between 200-250% of the federal poverty level. For example, compared to being enrolled in a standard silver plan with cost sharing reductions through the New York State of Health marketplace, an individual newly covered by the Essential Plan under this waiver would see their individual deductible decrease

from \$1,625 to \$0 and their maximum out of pocket limit fall from \$7,250 to \$2,000.<sup>1</sup> Research consistently shows that higher cost-sharing is associated with decreased use of preventive services and medical care among low-income populations.<sup>2</sup> The state estimates that at least 65,000 individuals in the target group will save about \$7,400 per year from the waiver's anticipated changes, a decrease in costs equal to an average of about 20% of household income for these New Yorkers.

At the same time, the state represents that the waiver will not affect eligibility requirements, benefits, or costs for existing categories of Essential Plan enrollees. We appreciate this commitment to preserving affordability and access to comprehensive coverage for the more than one million current enrollees of the program — a commitment we understand to be essential to the success of the proposed waiver. In a similar vein, we know the state expects the waiver proposal to have limited effects on coverage in the individual market. We encourage the state to closely monitor these impacts, including effects on consumers who do not qualify for subsidized coverage.

We understand that, due to the affordability benefits of the waiver, New York's plan would also improve take-up of comprehensive coverage. The state projects that the waiver will increase combined enrollment in the Essential Plan and marketplace by 1.6% in 2024, and from 2.1%-2.2% (or about 28,000 people) in each year through 2028. In addition, we understand that the waiver would increase covered benefits for the target population — those who could have obtained coverage through the marketplace in the absence of the waiver but who instead will enroll through the Essential Plan — because their coverage will include the same essential health benefits covered by marketplace plans, plus vision and dental care. We are encouraged by and support all of these expected improvements.

Our organizations appreciate the state's efforts to minimize disruptions in coverage for individuals who will be shifting from individual market coverage to the Essential Plan, including reasonable approaches to mapping current Qualified Health Plan (QHP) enrollees into closely-matched Essential Plan alternatives. While the state notes that there is more than 95% overlap between existing QHP and Essential Plan provider networks, even the most minimal disruption in providers or networks could lead to significant harm for patients with serious or chronic medical conditions. We urge the state to work closely with consumers, carriers, providers, and patient and consumer organizations through the transition process to ensure that enrollees, particularly those mapped from an existing plan into a different product, experience minimal disruption in their access to existing providers and existing provider networks. We suggest that the state consider whether there are ways to mitigate any impact, such as enhanced temporary flexibilities for certain enrollees to continue receiving care at formerly in-network providers who are now out-of-network.

Finally, our organizations support the positive effect that this waiver is expected to have on health equity in New York. Adult Black and Hispanic New Yorkers experience lower levels of health insurance coverage and higher incidences of preventable hospitalizations.<sup>3</sup> The state expects that the increase in affordability of coverage under the waiver will help to address

these disparities. Our organizations encourage the state to continue to work towards improving health equity in New York by increasing access to affordable healthcare.

Our organizations support this proposal as a method to improve affordability of healthcare for lower income individuals in New York, as well as equitable access to care, while complying with the 1332 waiver statutory guardrails.

Thank you for the opportunity to provide comments.

Sincerely,

American Cancer Society Cancer Action Network  
American Heart Association  
American Lung Association  
Epilepsy Foundation  
Hemophilia Federation of America  
Immune Deficiency Foundation  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
The Leukemia and Lymphoma Society

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<sup>1</sup> New York State of Health, "Standard Benefit Design Cost Sharing Description Chart." July 13, 2022. Available at: <https://info.nystateofhealth.ny.gov/sites/default/files/Attachment%20B%20-%202023%20Standard%20Plans%20revised%207-13-22.pdf>

<sup>2</sup> Samantha Artiga, Petry Ubri, and Julia Zur, "The Effects of Premiums and Cost Sharing on Low-Income Populations: Updated Review of Research Findings," Kaiser Family Foundation, June 2017. Available at: <https://www.kff.org/medicaid/issue-brief/the-effects-of-premiums-and-cost-sharing-on-low-income-populations-updated-review-of-research-findings/>.

<sup>3</sup> Department of Health, New York State. New York State Prevention Agenda Dashboard-State Level, 2023. Available at: [https://webbi1.health.ny.gov/SASStoredProcess/guest?\\_program=/EBI/PHIG/apps/dashboard/pa\\_dashboard&p=s\\_h](https://webbi1.health.ny.gov/SASStoredProcess/guest?_program=/EBI/PHIG/apps/dashboard/pa_dashboard&p=s_h)