



October 16, 2017

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

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

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

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

Dear Leaders McConnell and Schumer, Speaker Ryan, and Leader Pelosi:

In light of the Administration's decision to end cost-sharing reduction (CSR) payments, the Medical Group Management Association (MGMA) urges Congress to step in and pass legislation to stabilize the exchange marketplaces. We have concerns that abruptly ending CSR payments runs the risk of destabilizing the insurance market and restricting patient access to critical medical services.

MGMA represents more than 40,000 medical practice administrators, executives, and leaders in 12,500 organizations of all sizes, types, structures and specialties that collectively deliver nearly half of all healthcare in the United States.

CSR payments typically assist lower income Americans with out of pocket medical expenses including deductibles and co-payments in an effort to keep coverage more affordable. While we agree that the current trend of rising premiums is a concern that warrants an important conversation about new strategies to improve our health system and keep coverage affordable for all Americans, we are concerned that ending CSR payments outside a larger reform plan risks destabilizing the market. Market uncertainty can drive insurers to raise premiums and restrict plan options, which, according to the non-partisan Congressional Budget Office (CBO), will increase the number of uninsured Americans and add to the federal budget deficit.

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The CBO estimates that ending CSR funding would:

- **Raise premiums** by an average of 20% next year and 25% by 2020 for silver plans;
- **Increase the number of uninsured Americans** by 1 million in 2018;
- **Reduce individual plan options**, thereby also increasing the number of geographic areas without an exchange product offered on the individual market; and
- **Cost taxpayers** \$194 billion over a decade.

We urge Congress to develop a bipartisan stabilization plan and fund CSR payments as it works toward long-term solutions to reform our nation's healthcare system. As the voice for medical group practices, we reiterate our willingness to engage with Congress and the Administration toward common sense solutions that enhance the ability of our members to continue to provide high-quality, cost-effective care to the millions of patients they serve.

Sincerely,

A handwritten signature in black ink, appearing to read 'Halee Fischer-Wright', with a stylized flourish at the end.

Halee Fischer-Wright, MD, MMM, FAAP, CMPE
President and CEO