July 31, 2021

Senator Patty Murray  
Chair  
Committee on Health, Education,  
Labor and Pensions  
United States Senate  
Washington, D.C. 20510

Representative Frank Pallone  
Chair  
Committee on Energy & Commerce  
House of Representatives  
Washington, D.C. 20515

Dear Chairpersons Murray and Pallone:

AARP, on behalf of our 38 million members and all older Americans nationwide, would like to thank you for the opportunity to respond to your request for information on “design considerations for legislation to develop a public health insurance option.”

We share your overall goal of achieving universal coverage and making health care simpler and more affordable for patients and families. Unfortunately, there remain significant disparities in our current health care system both in terms of access and outcomes. We support health care reforms that significantly improve access to affordable, quality coverage for every single American, and are especially focused on those between the ages of 50-64.

When older adults are unable to access affordable health care, they may delay needed care or not properly manage chronic conditions, which can lead to unnecessary suffering and worse health outcomes. Concerns about health insurance and how much it costs also impact how many individuals approach their life decisions: according to a 2018 AARP survey, 14 percent of pre-Medicare older adults have kept a job specifically to retain their health insurance, and 11 percent considered delaying or did delay retirement to keep their health care. In addition, as of 2019, nearly 10 percent of 50-64 year olds remain uninsured.

AARP has been very supportive of recent Congressional and Administration actions to expand the overall affordability and accessibility of Affordable Care Act (ACA) marketplace plans. The momentum of coverage expansion provided by the temporary expansion of advance premium tax credits (APTCs) and the ongoing special enrollment period provided AARP with an opportunity to expand education and outreach efforts among our members – especially those uninsured in multicultural and traditionally underserved areas. With enrollment during this special enrollment period exceeding 2 million, we first and foremost want to make clear our strong support of Congressional action to make the current two-year subsidy expansion permanent. The increased affordability of coverage, especially for older adults who are not yet eligible for Medicare, is essential to permanently improve access to affordable and quality coverage and further our shared goal of achieving universal coverage.

In working to enact legislation to establish a public option, as well as any laws meant to achieve universal access to quality and affordable coverage, we ask that these proposals:
• Not restrict participation of coverage on the basis of age, health, or type of employment;

• Not discriminate in pricing based on age OR weaken existing age rating protections for older adults;

• Not undermine existing state and federal consumer protections and oversight; and

• Provide consumer access to fair grievance and appeals procedures.

Network adequacy and overall provider availability must be sufficiently addressed in any forthcoming legislation in order to further ensure adequate health care access. We urge that any new proposal be able to demonstrate that appropriate and necessary services are reasonably available and accessible 24 hours a day, 7 days a week. In addition, the plan should provide access to a sufficient number of practitioners, providers, and facilities, with sufficient distribution of providers by specialty and location within the plan’s service area to serve enrolled members.

Additionally, we support the inclusion of funding for robust consumer enrollment education and outreach activities in any legislative proposal that expands access to quality and affordable coverage. Existing navigator and assister programs should be utilized in these efforts.

And finally, we continue to support implementation of risk mitigation measures – such as state-based reinsurance programs – as a means to drive down overall premium costs and expand access to coverage. We also support reintroduction of a federal marketplace reinsurance program that would likely have the same impact for the millions accessing coverage through the federal marketplace.

Once again, we thank you for the opportunity to share our views in response to your RFI on establishment of a public option. We look forward to working together to achieve our shared goals of protecting consumers and making health care coverage universal for all Americans. If you have any questions, please contact me or have your staff contact Brendan Rose (brose@aarp.org) or our Government Affairs team.

Sincerely,

Bill Sweeney
Senior Vice President
Government Affairs