



December 10, 2019

The PA Insurance Department
1332 Innovation Waiver
1326 Strawberry Square
Harrisburg, PA 17120

Re: Pennsylvania Section 1332 State Innovation Waiver

Dear Commissioner Jessica Altman:

The National Multiple Sclerosis Society (Society) appreciates the opportunity to submit comments on Pennsylvania's Section 1332 State Innovation Waiver.

Nearly one million people are living with multiple sclerosis (MS) in the United States, more than twice the original estimate. MS is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and body. Symptoms vary from person to person and range from numbness and tingling, to walking difficulties, fatigue, dizziness, pain, depression, blindness and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS.

The Society believes everyone should have quality and affordable healthcare coverage. A strong, robust marketplace is essential for people with MS to access the coverage that they need. The Society supports Pennsylvania's efforts to strengthen its marketplace by submitting this 1332 State Innovation Waiver to implement a reinsurance program.

Reinsurance is an important tool to help stabilize health insurance markets. Reinsurance programs help insurance companies cover the claims of very high cost enrollees, which in turn keeps premiums affordable for other individuals buying insurance on the individual market. Reinsurance programs have been used to stabilize premiums in a number of healthcare programs, such as Medicare Part D. A temporary reinsurance fund for the individual market was also established under the Affordable Care Act and reduced premiums by an estimated 10 to 14 percent in its first year.¹ A recent analysis by Avalere of the seven states that have already created their own reinsurance programs through Section 1332 waivers found that these states reduced individual market premiums by an average of 19.9 percent in their first year.²

Pennsylvania's proposal will create a reinsurance program starting for the 2021 plan year and continuing for 5 years. This program is projected to reduce premiums by 4.9 and 7.5 percent and increase the number of individuals obtaining health insurance through the individual market by .5 and 1 percent. This would help patients with pre-existing conditions, including patients with MS, obtain affordable, comprehensive coverage.



The Society believes the 1332 State Innovation Waiver will help stabilize the individual market in Pennsylvania and protect patients and consumers. Thank you for the opportunity to provide comments.

Sincerely,

Mara Brough
Senior Advocacy Manager, Pennsylvania and New Jersey
National MS Society

¹ American Academy of Actuaries, Individual and Small Group Markets Committee. *An Evaluation of the Individual Health Insurance Market and Implications of Potential Changes*. January 2017. Retrieved from https://www.actuary.org/files/publications/Acad_eval_indiv_mkt_011817.pdf.

² Avalere. *State-Run Reinsurance Programs Reduce ACA Premiums by 19.9% on Average*. March 2019. Retrieved from <https://avalere.com/press-releases/state-run-reinsurance-programs-reduce-aca-premiums-by-19-9-on-average>.