

July 30, 2021

The Honorable Patty Murray
Chair
Committee on Health, Education, Labor and
Pensions
U.S. Senate
Washington, DC 20510

The Honorable Frank Pallone
Chair
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairs Murray and Pallone:

On behalf of [the Group of 6](#) we write in response to your [request for information](#) (RFI) on legislation to design a public health insurance option. Our organizations share your goal of achieving affordable coverage for all Americans while improving the quality and affordability of health care.

Our six organizations, and the more than 590,000 frontline physicians we represent, provide the overwhelming majority of care to our nation's children, pregnant women, adults and elderly for a full range of physical, mental and substance use conditions. Each day, our physician members provide health care to patients in communities large and small, urban and rural, rich and poor, and experience firsthand the inequities in health care access and outcomes between those with affordable, comprehensive health coverage and those without. We acknowledge the continued need for reforms and improvements to address ongoing barriers to care and ensure a health care system optimized for patients and their physicians.

We wish to share our collective [recommendations for coverage, benefits and consumer protections](#) as they relate to development of a federally administered public option.

Maintain Coverage and Stabilize the Insurance Market

The health insurance marketplace remains unstable in parts of the country, and a public insurance option – if implemented thoughtfully – could expand competition and consumer choice. However, currently insured individuals should not lose their coverage as a result of any action or inaction by policymakers. Our groups are asking lawmakers to support policies that:

- Ensure uninterrupted coverage and benefits for individuals and families covered in states that have expanded Medicaid or purchased qualified health plans offered in the exchanges.
- Ensure that premium and cost-sharing subsidies are sufficient to make coverage affordable and accessible, especially for vulnerable patients like children and adults with special health care needs, the elderly, and low-income individuals and families. The value of current subsidies should not be eroded.
- Ensure that any policy changes to accommodate a public option do not erode Medicaid benefits, eligibility or coverage compared to current law.
- Enhance outreach and education efforts with adequate funding to encourage a better risk pool, prevent low enrollment, higher premiums and market destabilization.
- Provide incentives for young adults to buy coverage and participate in insurance pools.

Protect Patients

Any public health insurance option must, at a minimum, preserve current coverage of essential benefits, as well as consumer and benefit protections by supporting policies that:

- Ensure that children, adolescents, and adults with preexisting conditions are eligible to enroll in a public option plan.
- Ensure that a public option plan continues to provide evidence-based essential benefits including
 - coverage for physician and hospital services, prescriptions, mental health and substance use disorder treatment;
 - preventative services at no out-of-pocket cost to enrollees, including contraception and maternity care; and
 - age-appropriate services to promote healthy child development, including screening, diagnostic, and treatment services for children.
- Ensure that parity between medical/surgical benefits and mental health/substance use disorder benefits is appropriately implemented, maintained and enforced.
- Address cost barriers to care created by high-deductible health plans.

System Reforms

Any federally administered public health insurance option should improve upon current law to ensure a health care system optimized for patients and their physicians, including consideration of the following:

- Expand access to physicians and consumer choice by strengthening network adequacy standards.
- Increase investment in primary, pediatric, and mental health and substance use care.
- Increase investment in evidence-based behavioral health integration into primary care.
- Support and encourage alternative payment models that prioritize value over volume, including the ability of the Center for Medicare and Medicaid Innovation to test and expand on such models for the public option population.
- Physician payment under a public option plan must be adequate to ensure enrollees' access to physicians. Given that Medicare payment rates continue to substantially undervalue primary, comprehensive, pediatric, and mental health care services, we believe that the current Medicare fee schedule payment rates are generally not adequate to be the basis for the public option. Further, Medicare and Medicaid payment rates should be increased to ensure enrollees' timely access to these essential services and the physicians who provide them.
- Physicians should not be compelled to accept the public option as a condition of participation in other federal programs.
- Reduce unnecessary administrative burden on physicians and patients, including streamlining prior authorization, aligning quality measurement and reporting requirements and promoting interoperability of health IT.

Changes to our healthcare system come with very high stakes – impacting tens of millions of our patients. Avoiding unintended adverse consequences when making legislative and regulatory changes can require a delicate balance. Which is why we appreciate their opportunity to provide comments on design considerations for legislation to develop a public health insurance option. We look forward to continuing to work with you to improve on the essential coverage, benefits and consumer protections described above and on access to care for all individuals, children and families.

Sincerely,

American Academy of Family Physicians
American Academy of Pediatrics

American College of Obstetricians and Gynecologists
American College of Physicians
American Osteopathic Association
American Psychiatric Association