

August 31, 2018

Alex M. Azar II
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Secretary Azar,

We are writing to you as organizations concerned with ensuring a successful HealthCare.gov open enrollment period (OE) for the for 2019 coverage year. We note the recent report from the Government Accountability Office (GAO), titled “Health Insurance Exchanges: HHS Should Enhance Its Management of Open Enrollment Performance,” which makes a number of recommendations to the Department of Health and Human Services (HHS) for improving the OE process, in light of the department’s actions leading up to and during open enrollment for the 2018 coverage year.¹ It is vital that HHS do all it can to ensure that American consumers are put first and are able to access quality health insurance that meets their needs. We urge you to immediately adopt and implement the GAO’s recommendations, as well as other improvements, as discussed below.

Outreach and Enrollment Funding

HHS should invest significantly more resources in paid advertising and outreach for the 2019 OE than it did last year. As the GAO report describes, HHS cut its 2018 outreach advertising budget by 90%.² We note that the dollars for this funding comes not from appropriations, but from user fees on exchange plans, and therefore, should be used to maximize the outreach for those plans and for consumers.

As noted by GAO, a 2017 HHS study found television “was one of the most effective forms of paid advertising for enrolling new and returning individuals during the prior open enrollment period.” In addition, half of the stakeholders interviewed by GAO said that the reductions in outreach spending had a negative effect on enrollment. This information is particularly important given our shared desires to have a stable risk pool in the marketplaces. Contrary to the Department’s assertions that ads are no longer necessary given broad knowledge of the marketplace, the GAO notes that in particular, “some stakeholders reported that outreach and advertising are especially important for increasing new enrollment, especially among younger and healthier consumers whose enrollment can help ensure the long-term stability of the exchanges.”

Navigator Funding

We urge HHS to increase navigator funding and use holistic data for determining need and allocation of funds. GAO’s criticisms focused on the methodology HHS used to determine funding allocations for the Navigators program in 2017. Given that the Patient Protection and Affordable Care Act (ACA) requires exchanges to establish a Navigator program, HHS’s management of that duty requires scrutiny. In 2017, HHS cut navigator funding by 42 percent. As documented by GAO, 81 of 98 navigator groups received

¹ Dicken, John, “Health Insurance Exchanges: HHS Should Enhance Its Management of Open Enrollment Performance”, U.S. Government Accountability Office. (August 23), 2018. Available at: <https://www.gao.gov/products/GAO-18-565>

² See Appendix III of *ibid*

cuts. Nearly half of groups had cuts of over 50 percent to their funding in comparison to 2016 levels. HHS justified these cuts by using a single metric, whether navigators met the targets they selected for the number of people they “expected to be assisted with selecting/enrolling in [exchange plans] (including re-enrollments).” This metric drastically underestimates the value of the broader work done by navigator programs.

By using only navigators’ enrollment numbers for marketplace plans, HHS failed to provide credit for the numerous other statutorily required activities for navigator programs, such as conducting public education activities and providing information in a culturally and linguistically appropriate manner.³ Navigators also spend significant resources helping consumer enroll in non-marketplace insurance; a Kaiser Family Foundation survey found that 42% of navigators in 2016 said that all or most of the people they helped were determined eligible for Medicaid or CHIP.⁴ GAO also found that the enrollment data used by HHS was inaccurate and incomplete, noting for example that, “representatives from one navigator organization reported that the application field where navigators enter their identification number was at times pre-populated with an agent or broker’s identification number.” Additionally, HHS did not provide navigators with guidance as to how it would interpret the goals set out by each organization for enrollment targets. Many organizations set targets for themselves above what they considered likely enrollment numbers, in part because not all consumers assisted by navigators complete enrollment with them.

The navigator cuts had an impact on consumer outreach and enrollment. GAO found that grantees conducted 68 percent fewer events, laid off staff and deprioritized certain populations, such as rural individuals. As organizations that care about hard-to-reach populations, we are deeply concerned about the impact that these cuts had on those who missed the opportunity to enroll because they lacked an in-person opportunity to do so. With so much misinformation, such as the 1/3 of the country who thought the ACA had been repealed last December, in-person information sharing is an important tool for ensuring consumers have accurate notice about their health insurance options.⁵

GAO notes that HHS plans to update the HealthCare.gov application in the upcoming open enrollment period to allow multiple assister identification numbers to be entered. This is an improvement we support, though we also urge you to ensure that only the numbers of assisters who actually work with a consumer are included, given the report of agent and broker numbers being already populated when navigators sit down with them, a situation likely to skew assistance data.

HHS has already announced an even deeper cut to navigator funding for the upcoming open enrollment period. We urge HHS to reverse this decision and fully fund navigators, at least to the levels for the grants distributed in 2016. While HHS claims that agents and brokers are more efficient than navigators, we dispute that assumption. Agents and brokers serve different populations than navigators, who target more vulnerable populations, including immigrants and those who are limited-English proficient (LEP) who require cultural and linguistic appropriate assistance and often have more with complex eligibility

³ 42 U.S.C. § 8031 (i)(3)

⁴ "2016 Survey of Health Insurance Marketplace Assister Programs and Brokers," Kaiser Family Foundation. (June 2016). Available at: <http://files.kff.org/attachment/2016-Survey-of-Marketplace-Assister-Programs-and-Brokers-Topline>

⁵ Roubein, Rachel, "Poll: Nearly one-third of Americans think Trump repealed ObamaCare," The Hill. (Dec 27, 2017). Available at: thehill.com/policy/healthcare/366591-poll-nearly-one-third-of-americans-think-trump-repealed-obamacare

cases that cannot be completed through direct enrollment. According to at least one insurance agent quoted by Kaiser Health News, “most independent brokers want nothing to do with ACA plans because insurers have cut their commissions. ‘We’ve been sending people to navigators.’”⁶

We echo and expand on GAO’s recommendations to HHS. We strongly urge the agency to engage in clear communication with navigator groups and potential grantees about expectations, metrics and funding guidelines. We also echo the need for HHS to align the navigator program with its agency objectives. Strategic objective 1.1 is to “promote affordable healthcare,” but promotion requires high quality, on-the-ground communications with consumers. Objective 1.3 is to “improve Americans’ access to healthcare,” but access requires information, as does empowering, “people to make informed choices for healthier living,” from Objective 2.1.⁷ By properly funding the Navigator program, HHS will better be able to serve American consumers’ needs for accurate information and practical, in-person assistance to enroll in health insurance.

Tracking Enrollment

As documented by GAO in the study, enrollment in Federally Facilitated Exchanges (FFE) fell by nine percent in 2018. Importantly, new enrollment fell by a 18% during the same period. This decline contrasts with a 6% increase in new enrollment in State Based Marketplaces (SBM) and an overall decrease of just 2% in SBM, which invested more resources in order to ensure a successful OE period than HHS.

We agree with GAO that HHS’s decision not to set performance targets means it will be harder to determine if the agency is meeting its own goals and its responsibilities in facilitating access to health coverage. Not setting targets reduces opportunities for oversight and accountability. It is particularly notable that HHS has emphasized the need for navigator groups to set and meet targets, while relieving itself of the same responsibility. It is disappointing that the agency did not concur with the GAO recommendation to adopt enrollment targets, and we urge you to reconsider that decision.

Approximately three quarters of the stakeholders interviewed by GAO said that consumer understanding of the law and its status negatively impacted enrollment. “Stakeholders reported that in addition to detracting from consumers’ interest in enrolling, the presence of consumer confusion about these issues took time for navigators, issuers, and others to address prior to being able to engage consumers in the process of enrollment.” While press coverage around the ACA in prior years increased awareness of the law generally and subsequently helped keep enrollment stable, we cannot rely on the same level of press coverage for the 2019 coverage year. HHS must be ready to increase public awareness of the ACA proactively through other means.

These failures in tracking have negatively impacted our ability to understand whether enrollment is being implemented equitably. For example, GAO noted that the overall demographic makeup of the exchange population was unchanged. However, when it comes to tracking data by race, nearly one third of enrollees do not fill out the relevant question. Therefore, it is difficult to accurately know whether

⁶ Galewitz, Phil, "Outrageous Or Overblown? HHS Announces Another Round Of ACA Navigator Funding Cuts," Kaiser Health News. (July 12, 2018). Available at: <https://khn.org/news/outrageous-or-overblown-hhs-announces-another-round-of-aca-navigator-funding-cuts/>

⁷ "Strategic Plan FY 2018 - 2022," U.S. Department of Health and Human Services. Available at: <https://www.hhs.gov/about/strategic-plan/index.html>

change occurred within certain groups in the last enrollment period. We urge HHS to take steps to improve collecting and reporting of race data.

Consumer Experience

We appreciate the improvements that HHS staff made to certain aspects of the consumer enrollment experience in the previous OE period. GAO's findings of lower use of the online waiting room and shorter call center times match the experiences of groups involved directly in enrollment. We also appreciate the lower amount of website downtime, particularly considering reports last fall that indicated significant regular downtimes.⁸ However, we also urge HHS to report user experience data by demographic groups to allow further understanding. For example, call center experiences for consumers who are limited English proficient can be quite different than for consumers who are not.

As groups that facilitate in-person learning about health coverage, we echo the GAO finding that the consumer enrollment experience, however, is not limited to the website and call center. Many people find out about open enrollment and have a chance to ask questions of trusted individuals only during in-person events. Given the reduction in such events due to the cuts in navigator funding, this is not an area HHS can claim full success in.

We therefore agree with the GAO's recommendation that HHS's consumer experience goals must include the full range of consumer experiences, including in-person events, advertising, and the experiences of key target populations. We are glad that HHS has accepted this recommendation and look forward to reviewing the Department's plans to implement it.

Conclusion

With open enrollment less than two months away, we are concerned that consumers will not be fully informed of the availability of quality, affordable health insurance through HealthCare.gov. Given last year's cuts and the announced cuts for the upcoming period, we believe HHS is setting up the marketplace for lower enrollment than could otherwise have been achieved if the agency invested fully in outreach and enrollment efforts and supported those on the ground carrying out this important mission. In addition, because HHS is not setting enrollment goals, it is decreasing accountability for those enrollment numbers. We urge you to adopt the recommendations of the nonpartisan GAO report, and invest more in outreach and enrollment resources, particularly through the navigator program.

Thank you,

Asian & Pacific Islander American Health Forum
Asian Americans Advancing Justice – Los Angeles
Community Catalyst
Families USA
Get America Covered
National Health Law Program
Planned Parenthood Federation of America
Young Invincibles

⁸ Galewitz, Phil, "Sunday Hours: Obamacare Website To Be Shut Down For Portion of Most Weekends," Kaiser Health News. (September 22, 2017). Available at: <https://khn.org/news/hhs-to-close-insurance-exchange-for-12-hours-on-sundays-during-enrollment/>