HIV Health Care Access Working Group

September 14, 2011

The Honorable Joe Pitts
Chairman, Subcommittee on Health
Energy & Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member, Subcommittee on Health
Energy & Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Pitts and Ranking Member Pallone:

We the undersigned organizations strongly urge you to reject H.R. 2077, a bill to repeal the medical loss ratio (MLR), as well as a proposed measure to repeal the grandfathering provisions of the Patient Protection and Affordable Care Act of 2010 (ACA). As a coalition of more than 100 national and community-based AIDS service organizations representing HIV medical providers, public health professionals, advocates and people living with HIV/AIDS, we urge you to consider the effect of repealing these important consumer protections on people living with HIV/AIDS and those at risk for infection.

The minimum medical loss ratio (MLR) requires that insurers in the individual and small-group markets spend 80% of premiums on medical care and quality improvement activities instead of administrative expenses, like underwriting, marketing and profits (for large groups, medical spending must be at least 85%). This provision of the ACA is critical to making the insurance marketplace more transparent and making it easier for consumers to purchase plans that provide better value for their money.

We also oppose proposals to prevent enforcement of the “grandfathered plan” regulation that over time will allow more consumers to benefit from the provisions of the ACA that do not apply to grandfathered plans, particularly the full range of health benefits that the law requires plans to offer in the exchanges and in the individual and small group markets beginning in 2014.

The proposed legislation to repeal the “grandfathered plan” provisions would gut new protections consumers have recently received and those they stand to gain in the future. It would mean higher costs for preventive care and the reinstatement of lifetime limits on benefits. It would take away the ability of 1.2 million young adults to secure coverage through a parent’s health plan. It also would hurt consumers by allowing insurance companies to continue to charge discriminatory premiums for the sick, essentially locking
in disparate treatment of tens of millions of people, including those living with HIV and other chronic diseases.

We have seen firsthand the need for much stronger consumer protections in the private insurance market to prevent discrimination against Americans living with HIV disease. We oppose rolling back essential consumer health insurance protections and urge the subcommittee not to advance this legislation.

Thank you for your consideration of our views. If you have further questions, please contact Robert Greenwald of the Treatment Access Expansion Project at Harvard University (rgreenwa@law.harvard.edu) or Andrea Weddle of the HIV Medicine Association (aweddle@hivma.org)