



November 20, 2017

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Mike Crapo
Member
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Senators Hatch and Crapo:

On behalf of the Healthcare Leadership Council (HLC), I am writing to express our strong support for your draft legislation on the Section 1332 state innovation waivers. We thank you for your work on this issue, and urge you to quickly introduce the legislation and include it in any “must pass” legislative vehicles that Congress considers this year.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation’s healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable, high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, pharmacies, post-acute care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

Like you, HLC supports healthcare innovation and believes that American ingenuity is critical to achieving a healthcare system that is more efficient, more effective, and of the highest quality. State flexibility is especially critical to achieving that type of healthcare system. States have traditionally been the primary regulators for their local markets and they understand how best to meet their consumers’ needs. Varying geographies and demographics across states make it difficult to apply uniform, one-size-fits-all policies on a national basis. To increase consumer choice and ensure their access to affordable health insurance under the Affordable Care Act (ACA), states need to be given more flexibility through the Section 1332 waivers.

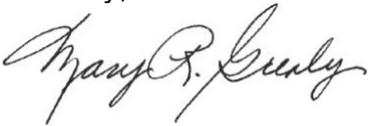
Your draft legislation would make it easier for states to apply for the 1332 waivers by ending the requirement that they pass legislation in support of the waiver. The Department of Health and Human Services (HHS) Secretary would have to make a

decision on the waiver within 100 days, and would have to approve applications that meet the template designed by the Secretary. States would also be able to renew the waiver for unlimited 5-year periods.

Additionally, HLC appreciates your bill's inclusion of important consumer protections such as prohibiting exclusions on pre-existing conditions. This is critical to ensuring that consumers have access to coverage.

Thank you again for your work on the state innovation waivers. HLC looks forward to continuing to collaborate with you on this issue. If you have any questions, please do not hesitate to contact Debbie Withey at (202) 449-3435.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary R. Grealy".

Mary R. Grealy
President