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American Cancer Society
Health Insurance Exchange Establishment Forum
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Good morning. Thank you for the opportunity to provide comments on the establishment of a Health Insurance Exchange in New York. Our comments today focus on the specific elements of a Health Insurance Exchange that have implications for cancer patients, their families, and consumers at large.

The American Cancer Society is a nationwide, community-based organization dedicated to fighting cancer by providing direct patient services, advocacy, cancer education, and research funding.

To put our comments in context, it is important to understand the burden of cancer in our society. One in 2 men and one in three women will be diagnosed in their lifetime. The American Cancer Society estimates that 103,340 new cases of cancer will be diagnosed in New York this year. 34,540 New Yorkers will die from cancer in 2011¹, making it the second leading cause of death in New York². Research suggests that approximately 10% of cancer patients are uninsured at the time of diagnosis³. More troubling, about one-third of cancer survivors report a loss of health insurance at some point in time since their diagnosis⁴.

We also know that uninsured patients are less likely to get recommended cancer screenings and are more likely to be diagnosed with cancer at later stages.⁵ For example, uninsured women diagnosed with breast cancer are 2.5 times more likely to have an advanced cancer at the time of diagnosis than women enrolled in private health insurance⁶.

Our interest in the creation of a Health Insurance Exchange is driven by the need for cancer patients to have unrestricted access to high quality, affordable and adequate insurance coverage that is simple to navigate and understand. Achieving this depends on ensuring a level playing field for individuals, small groups and insurers inside and outside of the Exchange. In other words, we must do everything we can to avoid adverse selection so that cancer patients are not discriminated against in trying to obtain affordable coverage.

Getting the Exchange right matters for people with cancer, and for people with the *potential* to get cancer – which is all of us.

While all of the important policy decisions need not be made in the next few weeks, we must emphasize that the MOST IMPORTANT issue facing New York is one of timing. Punting the passage of Exchange Establishment legislation into a special session, or worse, into next legislative session will most certainly sabotage the state's ability to meet the deadlines necessary to run a successful Exchange. Having said that, we want to outline some policy considerations important to the creation of the Exchange.

¹ American Cancer Society. *Cancer Facts & Figures 2010*. Atlanta: American Cancer Society; 2010.

² Centers for Disease Control and Prevention. National Center for Injury Prevention and Control, 2007.

³ Thorpe KE, Howard D. "Health Insurance and Spending Among Cancer patients" *Health Affairs* 2003. *W3*; 189-198.

⁴ American Cancer Society Cancer Action Network. Facing Cancer in the Healthcare System: A National Poll. May 21 - June 10, 2010. <http://www.acscan.org/healthcare/cancerpoll>

⁵ Halpern MT, Bian J, Ward EM, Schrag NM, Chen AY. Insurance status and stage of cancer at diagnosis among women with breast cancer. *Cancer* 2007; 110: 403-11.

⁶ Kaiser Commission on Medicaid and the Uninsured. The Uninsured: A Primer. Key Facts About Americans Without Health Insurance, January 2006.

1. The Exchange governance board should be properly structured to ensure that its decisions serve the best interest of consumers, patients, workers, and small employers.

The governance board will make the critical management and policy decisions that determine the direction and success of the exchange. It is imperative that board members not have a conflict with their business or professional interests. Other stakeholders including patient advocates, insurers, and providers are best involved through advisory boards. Finally, the governance board must be held publicly accountable through open meeting laws and solicitation of public comments.

2. The rules for the insurance market outside the exchange must complement those inside the exchange to mitigate “adverse selection.”

It is essential that the insurance rules are comparable for plans inside and outside the exchanges, thus promoting a level playing field. If plans outside the exchanges can sell products under more favorable terms, those plans can cherry pick the healthiest consumers, with the exchanges ultimately becoming an insurance pool of primarily high-risk individuals. This would result in high and potentially unaffordable insurance premiums for cancer patients who need care the most.

3. The Medicaid and other public insurance programs must be well integrated with the exchange.

The Exchange is responsible for screening and enrolling eligible people into the program. It will be critical that the exchange is well integrated with the state Medicaid, FHP and CHP programs to ensure seamless enrollment. Further, because many individuals will move between Medicaid and the exchange over time due to fluctuation in income, it is crucial that exchange rules allow for coordination of plans, benefits, and physician networks to ensure continuous coverage.

4. The Exchange must be structured to emphasize administrative simplicity for consumers.

A major goal of the ACA is to make information about insurance more accessible. Consumers must be able to easily access not only information such as premium rates and enrollment forms, but also critical additional information, such as each plan’s benefits, provider networks, appeals processes and consumer satisfaction measures. This information should be available in multiple languages and literacy levels.

5. The Exchange requires a continuous and stable source of funding to be successful

To facilitate good management and planning, it is important that the exchanges have a predictable and steady source of funding. Otherwise, there is a risk that funding will become vulnerable to the often unpredictable legislative appropriations process. Further, funding sources should be generated from plans inside and outside the exchange, so carriers outside the exchange are not afforded an unfair financial advantage that could lead to adverse selection.

6. Legislation must include a clear process and timeline for resolving the complex policy decisions that the Exchange Governing board must make in cooperation with the Legislature and the Governor.

In particular, the cancer society is concerned with how cancer-specific insurance mandates are addressed in the context of the essential benefit package. This, as well as many other important issues, deserves to be researched and reported out for decisive action by the Governing Board and the Legislature within the year.

In closing, New York has an opportunity to set a national standard for health reform implementation in its creation of the Exchange. We hope our comments will inform the decisions that must be made in creating this important entity. Thank you.