

April 28, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Ryan, Majority Leader McConnell, Minority Leader Pelosi and Minority Leader Schumer:

On behalf of the more than 54 million American adults and children with arthritis, the Arthritis Foundation urges Congress to prioritize the needs of people with chronic diseases as it continues to consider the American Health Care Act (AHCA). Arthritis is a complex, chronic condition and people with arthritis depend on access to timely, ongoing care to control their disease. For many, access to health care is the difference between being disabled and being a fully functioning member of society.

We appreciate the inclusion of many important provisions in the base AHCA legislation, specifically: no exclusions for people with preexisting conditions; cost sharing that accounts for the complexities of arthritis management (i.e., continued limits on patient copayments, caps on out-of-pocket costs); coverage for children on a parent's insurance until age 26; and a ban on lifetime benefit limits. These provisions are critical to ensure arthritis patients can continue to access and afford their health care.

However, we remain concerned about provisions that would negatively affect Medicaid and other aspects of the health care system, and we are concerned that the addition of the MacArthur amendment would erode many critical protections for people with chronic conditions. Allowing states to opt-out of Affordable Care Act regulations, such as essential health benefits and community and age rating requirements, could compromise the accessibility and affordability of coverage for millions of Americans. We believe this amendment would create access barriers to care for the very people who need health care the most, people with chronic conditions and older Americans.

We recently conducted a series of roundtables, focus groups and surveys with hundreds of patients, culminating in the development of patient principles and policy solutions we believe must be in place to make health care truly patient centered. We urge Congress to include the following policy solutions in any health reform replacement legislation:

- **Insurance requirements should apply reasonable limits on the use of step therapy and prior authorization:**
 - Patients should not have to fail on a medication more than once.
 - Step therapy requirements should be limited to 60 days.

- Prior authorization requests should be acted upon within 48 hours of submission.
- **Health care should be more seamless and transparent:**
 - Standards should be established to allow consumers to estimate their total out-of-pocket costs, including coinsurance, deductibles, co-payments, and premiums for all medical encounters, medications and medical equipment.
 - Processes should be developed to require system-wide transparency on costly health care treatments and services.
 - Standards should be established to provide timely, clear notice of the network status of providers, and out-of-pocket costs should be capped for out-of-network services.
- **Coverage of prescription drugs should be affordable:**
 - Caps on annual out-of-pocket spending should be extended to Medicare Part-D.
 - Co-insurance for prescription drugs should reflect the negotiated price of a drug, rather than the list price, ensuring that some of the rebates negotiated between manufacturers and pharmacy benefit managers are passed on to patients.
- **Health care delivery should prioritize value and outcomes of treatment to the patient:**
 - Demonstration projects should be initiated to test the impact of outcomes-based contracting.
 - Barriers to value-based insurance arrangements should be addressed, including potential changes to the Stark Law and Federal anti-kickback statute.

The Arthritis Foundation recognizes reforms are necessary. We urge Congress to continue seeking solutions that make health care more accessible and affordable for patients based on the above policy recommendations. We welcome the opportunity to continue our work with Congress and the administration on these critical priorities. Please contact Anna Hyde, interim vice president of advocacy and access, Arthritis Foundation, at ahyde@arthritis.org or 202-882-2917 with any questions.

Sincerely,



Ann M. Palmer
President and CEO
Arthritis Foundation