

May 7, 2014

Marilyn Tavenner  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
P.O. Box 8011  
Baltimore, MD 21244-1850

**Re: CMS-9943-IFC Patient Protection and Affordable Care Act; Third Party Payment of Qualified Health Plan Premiums**

Dear Ms. Tavenner:

The Florida Hospital Association (FHA), on behalf of its more than 230 hospital and health system members, would like to thank the Centers for Medicare & Medicaid Services (CMS) for the opportunity to comment on CMS's recent interim final rule concerning third party payment of qualified health plan (QHP) premiums. Recognizing that an individual's share of the cost of a premium or for services received may be prohibitive, even with a federal premium subsidy, hospitals and health systems have expressed interest in providing subsidies for the purchase of premiums and cost sharing and have inquired whether there are legal barriers to providing assistance if they wish to do so.

CMS recently released an interim final rule requiring issuers of QHPs "to accept premium and cost-sharing payments made on behalf of enrollees by the Ryan White HIV/AIDS program, other Federal and State government programs that provide premium and cost-sharing support for specific individuals, and Indian tribes, tribal organizations, and urban Indian Organizations." However, the rule does not prevent QHPs from having "contractual provisions" prohibiting the acceptance of premiums and cost-sharing from third-party payers other than those specified in the regulation, and CMS continues to discourage third-party payments from hospitals, other health care providers, and other commercial entities, and encourages QHPs to reject such payments. Such a policy would undermine one of the core objectives of the Patient Protection Affordable Care Act (PPACA) – making more affordable insurance coverage available to the uninsured – and worse, would do so for those poor and sick individuals most in need of health insurance.

Restricting payments from hospitals and other health care entities seems to be adverse to the provisions in the PPACA which prohibited medical underwriting. Individuals who are likely to be aware of premium assistance programs offered by hospitals and other health care providers will likely have already had some interaction with the health care delivery system implying that they either have an ongoing need for health care services or anticipate one. CMS states that payments from providers "could skew the insurance risk pool and create an unlevel field in the Marketplaces." Isn't accepting payments through the Ryan White HIV/AIDS program doing the same thing? Accepting payments from one entity and not the other seems to border on discrimination for those that do not qualify for specific assistance programs based on disease or

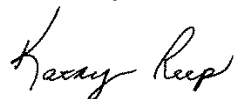
other affiliations. It is hard to reconcile that refusing payments from public programs may constitute “impermissible discrimination” based on health status with the stated position of discouraging acceptance of third party payments from hospitals and other providers.

Not-for-profit hospitals are required under the PPACA to establish financial assistance policies for the uninsured and underinsured in advancing their charitable mission. Are financial assistance policies limited to a reduction in the amount owed by the patient or could they also include premium subsidies to those in need? Could hospitals and/or their foundations provide premium assistance on behalf of QHP enrollees who satisfy defined criteria based on financial status of the patient rather than enrollee health status?

FHA believes that hospitals, other health care providers, and their private, non-profit foundations should be allowed to purchase QHP coverage (either subsidized or unsubsidized), regardless of where it’s offered – federally facilitated exchange (FFE), state based exchange (SBE) or outside of an exchange (OE)) for individuals who find plans unaffordable. QHPs should be required to accept these payments as they should be subject to the same prohibition on medical underwriting as payments made by individuals and federal programs. We believe that, in the final rule, CMS should explicitly state that hospitals, other health care providers, and their related private, not-for-profit foundations can purchase QHP coverage for individuals who find plans unaffordable. This will provide the regulatory certainty necessary for health care providers to offer vulnerable members of their community a form of financial assistance that will not only lead to better health outcomes, but provide greater financial security.

Again the FHA appreciates the opportunity to comment on this proposed rule. If there are any questions on these comments, please do not hesitate to contact me at [kathyr@fha.org](mailto:kathyr@fha.org) or at (407) 841-6230.

Sincerely,



Kathy Reep  
Vice President/Financial Services