



February 12, 2018

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To: Center for Medicare and Medicaid Services
Office of Strategic Operations and Regulatory Affairs
Division of Regulations Development

Attention: Document Identifier/OMB Control Number 0903-NEW
Submitted electronically via www.regulations.gov

Re: CMS-2017-0162, Form CMS-10571 Limited Wraparound Coverage Reporting

On behalf of the Public Sector HealthCare Roundtable (Roundtable), a non-partisan, member-directed grassroots coalition of public sector health care purchasers, corporate members and partners, providing healthcare coverage to active and retired public workers across the United States, we are responding to the Request for Comments regarding extending or making permanent the Affordable Care Act pilot program which permits group health plans to offer limited wraparound benefits.

At our recent Roundtable Annual Meeting, the School Employees Retirement System of Ohio (SERS) shared their positive experience regarding a Wraparound Plan they have offered since January 2017. Their presentation generated interest from other participating state public retiree organizations whom we believe would pursue this opportunity if the program is made permanent or an extension to the pilot is granted.

With respect to the Request for Comment, the Roundtable would like to provide the following information:

1. HHS seeks comment on the impact that an extension of the limited wraparound pilot program would have on the number of employers/sponsors participating in the limited wraparound pilot program-

An extension of the pilot program would permit group health plan sponsors the opportunity to create limited wraparound programs. The initial promulgation of the regulations was so time constrained that virtually no group health plan sponsors were able to or willing to implement a program because of the pilot sunset date.

The regulations, which were effective May 2015, required wraparound programs be operational by 2017. Large public employee retirement systems require long lead times to plan programs because of requirements such as: having to seek approval from Boards who often meet only periodically; public procurement processes for administrative services; communicating coverage changes to large numbers of individuals; and conducting enrollment. For most Roundtable members, undertaking this level of work for a short three-year pilot period is either not possible or does not allow sufficient time to gather and understand the results and impacts.

Additionally, this period of time spanned an election year and the following year in which the fate of the individual health care market was marked by uncertainty. Public group health plan sponsors are unlikely to construct wraparound programs that rely

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upon the continued existence of the federally subsidized marketplace without health care market stability. Making the pilot permanent or extending the time period to include a period when the market is more stable will likely increase the numbers of plan sponsors participating in the program.

2. In addition, if HHS extends the limited wraparound pilot program, we seek comment on when the limited wraparound pilot program should sunset, or whether the limited wraparound pilot program should be made permanent-

The Roundtable members believe the limited wraparound pilot program should be made permanent, or at least, extended for a minimum of ten years.

Group health plan sponsors are highly challenged to fund and maintain flexibility in a very dynamic field and the limited wraparound plan could be an important tool in meeting these challenges. The limited wraparound plan appeals to group health plan sponsors with part-time employees, lower income non-Medicare retirees, and those looking to maximize consumer choice. Roundtable members frequently discuss the high cost of non-Medicare retiree health care in their pursuit of any and all solutions that may be appropriate for their members currently or in the future. Given the continued uncertainty regarding the Excise (Cadillac) tax and available funding for public retirement systems health care, we would request that the limited Wraparound plan continue to be available to our group health plan sponsors as they fight to maintain adequately funded retirement health care solutions that are cost effective for their members.

Making the wraparound program permanent would remove the potential disruption to enrollees of terminating the program. For systems with viable limited wraparound programs, the stability of permanent regulatory authority would provide them with the ability to maintain these limited programs with certainty.

A 10-year pilot program would provide group health plan sponsors and regulators sufficient duration to evaluate the efficacy of the program. The current time limitation is a major deterrent against the investment of time and other resources to establish the program. For our Roundtable member, SERS, who has offered wraparound coverage during the three-year pilot program, we can unequivocally say that any extension of the limited wraparound pilot program would be important to them and their enrollees in the program.

We support opportunities for Roundtable members to offer coverage solutions that provide cost-effective coverage particularly for lower-income retiree members while protecting the financial solvency of their healthcare plans. Should you have any questions on the comments provided, please reach out to me at tlussier@lgva.net or 703.684.5236 or Andrew MacPherson, the Roundtable's Senior Policy Advisor, at amacphe@gmail.com or 202.420.8505.

Thank you for your consideration.

Sincerely,



THOMAS R. LUSSIER
Administrator