



April 12, 2017

The Honorable Donald J. Trump  
President of the United States  
The White House  
1600 Pennsylvania Avenue, Northwest  
Washington, D.C. 20050

Dear Mr. President:

As providers of healthcare and coverage to hundreds of millions of Americans, we share many core principles and common priorities. We believe that every American deserves affordable coverage and high-quality care. We stand ready to work with the Administration and all members of Congress to keep this commitment.

A critical priority is to stabilize the individual health insurance market. The window is quickly closing to properly price individual insurance products for 2018.

**The most critical action to help stabilize the individual market for 2017 and 2018 is to remove uncertainty about continued funding for cost sharing reductions (CSRs).** Nearly 60 percent of all individuals who purchase coverage via the marketplace – 7 million people – receive assistance to reduce deductibles, co-payments, and/or out-of-pocket limits through CSR payments. This funding helps those who need it the most access quality care: low- and modest-income consumers earning less than 250 percent of the federal poverty level. If CSRs are not funded, Americans will be dramatically impacted:

- Choices for consumers will be more limited. If reliable funding for CSRs is not provided, it may impact plan participation, which would leave individuals without coverage options.
- Premiums for 2018 and beyond will be higher. Analysts estimate that loss of CSR funding alone would increase premiums for all consumers – both on and off the exchange – by at least 15 percent. Higher premium rates could drive out of the market those middle-income individuals who are not eligible for tax credits.
- If more people are uninsured, providers will experience more uncompensated care which will further strain their ability to meet the needs of their communities and will raise costs for everyone, including employers who sponsor group health plans for their employees.

- Hardworking taxpayers will pay *more*, as premiums grow and tax credits for low-income families increase, than if CSRs are funded.

**We urge the Administration and Congress to take quick action to ensure CSRs are funded.**

We are committed to working with you to deliver the short-term stability we all want and the affordable coverage and high-quality care that every American deserves. But time is short and action is needed. By working together, we can create effective, market-based solutions that best serve the American people.

Respectfully,

America's Health Insurance Plans  
American Academy of Family Physicians  
American Benefits Council  
American Hospital Association  
American Medical Association  
Blue Cross Blue Shield Association  
Federation of American Hospitals  
U.S. Chamber of Commerce

cc: The Honorable Thomas E. Price, M.D., Secretary of Health and Human Services  
The Honorable Steven T. Mnuchin, Secretary of the Treasury  
The Honorable Mick Mulvaney, Director of the Office of Management and Budget  
The Honorable Seema Verma, Administrator, Centers for Medicare and Medicaid Services