

United States Senate

WASHINGTON, DC 20510-4704

March 14, 2017

The Honorable Thomas E. Price, M.D.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Price:

I write with concerns regarding your comments on coverage and cost estimates under the Republicans' Affordable Care Act (ACA) repeal bill, the American Health Care Act (AHCA). Your claim that "no one will be worse off financially" under the Republican plan suggests a fundamental misunderstanding of the U.S. healthcare system and the needs of those who rely on the ACA reforms for coverage—and it echoes promises made by President Trump and Republicans that simply do not square with rigorous, independent, publically available analysis. I would like to understand what led to your financial estimates and to your rejection of reputable, independent sources of information about our health care system and this clearly harmful legislation.

You stated in an interview on Sunday, "I firmly believe that nobody will be worse off financially in the process that we're going through, understanding that they'll have choices that they can select the kind of coverage that they want for themselves and for their family, not [that] the government forces them to buy."¹

Yesterday, however, the non-partisan, independent Congressional Budget Office (CBO) released its cost estimate for the AHCA. CBO found that "in 2018, 14 million more people would be uninsured under the [AHCA] than under current law."² The law continues to add millions to the uninsured rolls: by 2026, a total of 24 million more than under current law. Additionally, CBO determined that the AHCA would significantly increase premiums in the near term and impose disproportionate costs on seniors in later years as a result of permitting age-rating. In other words, a nonpartisan, independent analysis directly contradicted your statements and the President's promise to provide "insurance for everybody."

You have previously praised CBO Director Dr. Keith Hall, highlighting his non-partisan work and the role of the agency in helping Congress "enact policies that support a healthy and growing economy."³ Yet, immediately following the CBO's cost estimate release, you appeared outside the White House, noting that you "disagree strenuously" with CBO's analysis stating, "We

¹ <http://www.nbcnews.com/politics/first-read/hhs-sec-tom-price-nobody-will-be-worse-financially-under-n732376>

² https://www.cbo.gov/sites/default/files/115th-congress-2017-2018/costestimate/americanhealthcareact_0.pdf

³ <http://budget.house.gov/news/documentsingle.aspx?DocumentID=393920>

believe that our plan will cover more individuals at a lower cost and give them the choices that they want for the coverage that they want for themselves and their family, not that the government forces them to buy.”⁴ You criticized CBO for only looking at “a portion of our plan but not the entire plan.” You went on to say, “In fact, the entire plan includes the regulatory apparatus that we’ve got the ability to use at Health and Human Services ... They also ignored completely the other legislative activities that we’ll be putting into place that will make certain that we have an insurance market that actually works.”

CBO was tasked, however, with providing “an estimate of the budgetary effects of the American Health Care Act,” which was based on the budget reconciliation recommendations approved by the House Committees on Ways and Means and Energy and Commerce last week.” To my knowledge, CBO was not provided with additional regulatory or legislative text that would have allowed them to score the “entire plan.” You have also rejected coverage and cost predictions by the Brookings Institution⁵ and the Kaiser Family Foundation⁶, arguing that such analyses were “looking at it in a silo” and that the AHCA will “have more individuals covered.”

It was also revealed yesterday that the White House’s own internal analysis of the Republican plan found even steeper coverage losses than those projected by CBO.⁷ The White House predicted that 26 million people would lose coverage over the next decade. This would include 17 million Medicaid enrollees, six million enrolled in the individual market, and three million enrolled in employer-based plans.

Given these coverage and cost estimates from the White House, CBO, and various health care experts, your confidence in the success of Trumpcare to increase coverage and lower costs calls into question your commitment to the HHS mission: to “enhance and protect the health and well-being of all Americans.” In your capacity as the head of the federal health care system, you have an obligation to provide the public with accurate information to make appropriate and accurate health care decisions. I am concerned that your efforts to spread misinformation violate this duty.

To get a better understanding of the basis of your assertions, please provide the following answers and documents no later than March 31, 2017:

1. On what document or information do you base the claim that “nobody will be worse off financially” under the AHCA? Please provide all documents and communications that reference or refer to any cost estimates to support your conclusion.

⁴ <http://www.mediaite.com/online/hhs-secretary-tom-price-we-disagree-strenuously-with-cbo-report/>

⁵ The Brookings Institution estimated a reduction of 15 million insured under the GOP ACA repeal bill. <https://www.brookings.edu/blog/up-front/2017/03/09/expect-the-cbo-to-estimate-large-coverage-losses-from-the-gop-health-care-plan/>

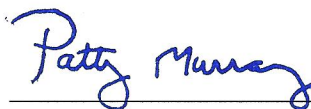
⁶ The Kaiser Family Foundation found that “people who are older, lower-income, or live in high-premium areas (like Alaska and Arizona) receive larger tax credits under the ACA than they would under the American Health Care Act replacement.” <http://kff.org/interactive/tax-credits-under-the-affordable-care-act-vs-replacement-proposal-interactive-map/>

⁷ <http://www.politico.com/story/2017/03/obamacare-uninsured-white-house-236019>

2. On what document or information do you rely to contradict the CBO's estimates that 14 million more people will be uninsured by 2018 and 24 million more people will be uninsured by 2026? Please provide all documents and communications that reference or refer to any coverage estimates to support your conclusion.
3. On what document or information should CBO have relied to capture the coverage and cost effects of your "entire plan"? Please provide all documents and communications that reference or refer to any coverage and cost estimates that CBO could have used to conduct a full analysis.
4. On what document or information do you rely to contradict the White House's estimates that 26 million more people will be uninsured by 2026? Please provide all documents and communications that reference or refer to any coverage estimates to support your conclusion.
5. On what document or information do you rely to disprove the Brookings Institution's finding that the AHCA will result in at least 15 million people losing coverage? Please provide all documents and communications that reference or refer to any coverage estimates to support your conclusion.
6. On what document or information do you rely to disprove the Kaiser Family Foundation's finding that the AHCA will result in smaller tax credits for those in rural areas, those with low incomes, and older Americans? Please provide all documents and communications that reference or refer to any cost estimates to support your conclusion.

I appreciate your prompt response to my request. If you have any questions, please contact Colin Goldfinch (202-224-7675) or Elizabeth Letter (202-224-6403) with Senator Murray's HELP Committee staff.

Sincerely,



Senator Patty Murray
Ranking Member
U.S. Senate Committee on Health,
Education, Labor, and Pensions