

June 20, 2019

Submitted via the Federal eRulemaking Portal at <http://www.regulations.gov>

Office of Management and Budget
9257 New Executive Office Building
725 17th St. NW
Washington, DC 20006

**Re: Request for Comment on the Consumer Inflation Measures Produced by
Federal Statistical Agencies (OMB–2019–0002) (Directive No. 14)**

To Whom It May Concern:

The staff of Connect for Health Colorado, the state-based health insurance marketplace (SBM) for Colorado, greatly appreciates the opportunity provided by the Executive Office of the President, Office of Management and Budget (OMB) to comment on the above referenced Request for Comment (RFC) published in the *Federal Register* on May 7, 2019.

The mission of Connect for Health Colorado is to increase access, affordability, and choice for individuals and small employers purchasing health insurance in Colorado. Since the Marketplace opened in 2013, Colorado's uninsured rate has been cut by more than half, to 6.5 percent, as many thousands of Coloradans have found private health insurance coverage through our Marketplace. In 2018, 176,542 Coloradans obtained coverage through the Marketplace. Seven of every 10 qualified for financial help to reduce their monthly premium.

Through this RFC, OMB is requesting comment on applying an alternative inflation measure to adjust the official poverty measure (OPM) line each year, such as the chained Consumer Price Index for All Urban Consumers (C-CPI-U) or the Personal Consumption Expenditures Price Index (PCEPI), rather than the current measure, the Consumer Price Index for All Urban Consumers (CPI-U).

Connect for Health Colorado opposes any change from CPI-U to an alternative measure. Because chained CPI has grown more slowly than CPI-U, use of C-CPI-U would result in lower poverty thresholds than CPI-U, an effect that would be compounded over time. The result would be fewer and fewer people qualifying for much needed financial assistance for health insurance coverage each year.

Under the Affordable Care Act, eligibility for cost-sharing reduction assistance and premium tax credits are dependent on the relationship of one's income to the poverty level. Changing the inflation adjustment factor would reduce or eliminate subsidies that make insurance more affordable. Such a change would result in many Coloradoans losing access to health insurance coverage entirely. According to the Center on Budget and Policy Priorities (CBPP), nationally, as many as 6 million privately insured people would be forced to pay higher health insurance premiums because their APTC would be lower.¹ A change to the current inflation measure methodology will result in lower income eligibility for health insurance coverage and other important safety net programs.

Such a change would also adversely impact the economy. In Colorado, Medicaid expansion has produced significant positive impact on the state's economy. It has supported tens of thousands of additional jobs resulting in lower unemployment.² Additionally, Medicaid expansion has dramatically decreased the uninsured rate in small towns and rural areas which have experienced the biggest drop in uninsured rates for low-income adults living in Colorado, where this population experienced a 29-percentage point drop in uninsured rates.³

We oppose such proposed changes to the calculation of the federal poverty levels that would undermine our organization's mission, produce a harmful economic impact, and adversely affect the health of Coloradans.

Sincerely,

Connect for Health Colorado Staff

¹ Aron-Dine, A. & Broaddus, M. (2019) "Poverty Line Proposal Would Cut Medicaid, Medicare, and Premium Tax Credits, Causing Millions to Lose or See Reduced Benefits Over Time." Center on Budget and Policy Priorities. <https://www.cbpp.org/research/poverty-and-inequality/poverty-line-proposal-would-cut-medicare-medicare-and-premium-tax>, which estimates losses after ten years of using the proposed C-CPI-U.

² Brown, C., Fisher, S., & Resnick P. (2016) "Assessing the Economic and Budgetary Impact of Medicaid Expansion in Colorado: FY 2015–16 through FY 2034–35." Colorado Health Foundation. <https://www.coloradohealth.org/reports/assessing-economic-and-budgetary-impact-medicare-expansion-colorado-fy-2015-16-through-fy>

³ Hoadley, J., Alker, J., & Holmes, M. (2018) "Health Insurance Coverage in Small Towns and Rural America: The Role of Medicaid Expansion." Georgetown University Health Policy Institute Center for Children and Families and The North Carolina Rural Health Research Program. https://ccf.georgetown.edu/wp-content/uploads/2018/09/FINALHealthInsuranceCoverage_Rural_2018.pdf