



STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
1900 KANAWHA BOULEVARD, EAST
CHARLESTON, WV 25305
(304) 558-2000

EARL RAY TOMBLIN
GOVERNOR

January 9, 2017

The Honorable Kevin McCarthy
Majority Leader
United States House of Representatives
H-107, U.S. Capitol Building
Washington, DC 20515

Dear Majority Leader McCarthy,

West Virginia appreciates that you have reached out to the states for input on the future of health care in our nation. As you are aware, states are at the forefront of health care policy and face unique challenges in ensuring value driven quality health services to our citizens. West Virginia prides itself that our citizens come together to figure out difficult issues. We are of the opinion that great efforts should be made to put partisanship aside and hammer out an agreement that provides long term stability in our health care delivery system.

West Virginia has made tremendous strides toward insuring low income, working adults since the passage of the Affordable Care Act. West Virginia has reduced the uninsured rate in our state from 17% to approximately 5%. Unfortunately, the overall insurance expense, both premium and out of pocket costs, have continued to significantly increase, making it even more difficult for West Virginia families to afford health insurance. In addition, the flexibility necessary to operate government funded programs, like Medicaid, to maximize policy goals of effective and efficient care are not always available to states or not available in reasonable timeframes.

Generally speaking, West Virginia advocates a three pronged strategy that would facilitate resolution to our many health care challenges. First, Federal funding must be maintained or West Virginia's health care infrastructure will collapse. Our state faces many challenges in terms of being one of the most rural and oldest in the country. In addition, West Virginia's population health is similar to that in much of Appalachia, ranking among the worst in the nation. Decreasing federal funding, whether by means of grant funding, Medicaid matching funds, Advanced Premium Tax Credits, or failing to fulfill risk adjustment obligations, would immediately reverse all progress made for both our working population and those vulnerable citizens who we are morally obligated to serve.

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Second, states should be given maximum flexibility in determining the best health care policies for their populations. West Virginia has some of the most unique health care challenges in the country and policies that do not take this into consideration often miss the mark in our state. Furthermore, the timeframes established by the Centers for Medicare and Medicaid Services (CMS) are entirely too cumbersome and drawn out. Insurance companies are forced to rely on projections using "green" data to meet CMS timelines instead of state schedules that are tailored to match market needs using developed data. States should be given broad discretion on how to operate health care programs and, in instances where approval is necessary, should be afforded a streamlined approval process.

Third, high-risk pools for individuals with serious health issues need to be part of the healthcare financing system. Focusing care solutions on the major cost drivers in our system will provide greater transparency and opportunity for controls that lead to better outcomes. Risk pools must be actuarially sound, be supported by Federal funding streams, and provide benefits that are viewed as necessary by those procuring the coverage.

As Governor, I appreciate the opportunity to provide input on the future of our health care system.

Sincerely,

A handwritten signature in dark ink, appearing to read "Earl Ray Tomblin". The signature is fluid and cursive, with the first name "Earl" being the most prominent.

Earl Ray Tomblin
Governor

cc: The Honorable Joe Manchin, III
The Honorable Shelley Moore Capito
The Honorable David McKinley
The Honorable Alex Mooney
The Honorable Evan Jenkins
Secretary Sylvia Burwell