

# United States Senate

WASHINGTON, DC 20510

June 21, 2017

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

Dear Secretary Price:

We are deeply concerned by the secretive process Republicans are using to develop their health care legislation. The public stands little chance of evaluating how the Senate health care bill might affect them, given that a small, all-male group of Republicans is negotiating the bill in private, and Administration officials continue cutting deals behind closed doors. We write to you seeking to shed light on what, up until now, has been an opaque policymaking process.

Even though the vast majority of Americans have an unfavorable view of the Republican health care proposal,<sup>1</sup> you celebrated passage of the House legislation that would have devastating consequences for millions of Americans. According to the nonpartisan Congressional Budget Office (CBO), under the Republican health care bill passed by the House, 23 million Americans will lose their health insurance over the next decade, and premiums will rise by 20 percent next year alone.<sup>2</sup> The bill also decimates Medicaid – a program designed to help our most vulnerable children, seniors, and people with disabilities – by slashing \$834 billion from the program over the next decade.<sup>3</sup> Simply put, the Republican bill would make health insurance unaffordable and out of reach for millions of Americans. Your own Department’s estimate, published last week by the independent Office of the Actuary within the Centers for Medicare & Medicaid Services (CMS), confirmed that the legislation would rip coverage away from tens of millions of Americans and increase costs for millions more.<sup>4</sup>

Perhaps this is why Republican efforts to gut affordable health insurance coverage have been shrouded in secrecy. When the Affordable Care Act (ACA) was passed, Democrats led a thorough, collaborative, and deliberate legislative process. In the Senate alone, committees held more than 90 hearings, meetings, and roundtables, and the Senate spent 25 consecutive days in

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<sup>1</sup> Kaiser Health Tracking Poll – May 2017: The ACA’s Proposed Changes to Health Care, The Henry J. Kaiser Family Foundation (May 31, 2017) (available at <http://www.kff.org/health-reform/report/kaiser-health-tracking-poll-may-2017-the-ahcas-proposed-changes-to-health-care/>).

<sup>2</sup> Congressional Budget Office Cost Estimate, H.R. 1628 American Health Care Act of 2017 (May 24, 2017) (available at <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/hr1628aspassed.pdf>).

<sup>3</sup> Congressional Budget Office Cost Estimate, H.R. 1628 American Health Care Act of 2017 (May 24, 2017) (available at <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/hr1628aspassed.pdf>).

<sup>4</sup> Estimated Financial Effect of the American Health Care Act of 2017, Office of the Actuary, Centers for Medicare & Medicaid Services (June 13, 2017) (available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/ActuarialStudies/Downloads/AHCA20170613.pdf>).

session on health reform, the second longest consecutive session in history. Further, the bills reported out of Senate committees included 154 amendments either sponsored or cosponsored by current Republican Senators.

This is in stark contrast to the process Republicans have undertaken in their effort to dismantle the ACA. The House passed the Republican bill without any hearings and before the CBO even had the opportunity to score the bill. Now, Senate Republicans are following a similar approach. There are reports that Senate Republicans have sent the bill to CBO for scoring, but have no plans to publicly release the bill. It appears that Senate Republicans are poised to bypass the committee process and bring a bill directly to the floor without any hearings or Democratic participation and with limited debate. Senate Republicans have gone so far as to quash press coverage of their secret deliberations by attempting to restrict the use of television cameras in the Capitol.<sup>5</sup>

The Republicans' rush to jam through a flawed bill puts the health care and lives of millions of Americans at risk, and has even drawn criticism from Republican Senators who support dismantling the ACA. Republican Senators have noted the contrast between the deliberative development of the ACA and the current rush to pass a Republican bill, calling for the process to be slowed and for open hearings to be held.<sup>6</sup>

Americans deserve to know what secret deals are being made behind closed doors and how they will affect their health and well-being. While we know the Administration has had multiple meetings with health insurers over the last few months,<sup>7</sup> including at least one private meeting you attended between President Trump and a health insurance CEO,<sup>8</sup> we do not know what backroom deals have been made at those meetings. The few details that have emerged have been concerning.

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<sup>5</sup> *Senate Republicans Abruptly Restrict News Cameras in Capitol – Then Quickly Back Down*, The Boston Globe (June 13, 2017) (available at <https://www.bostonglobe.com/news/politics/2017/06/13/senate-republicans-abruptly-restrict-news-cameras-congressional-corridors/vUv79vyCsFUaDSjZUn6KzM/story.html>).

<sup>6</sup> See *Secrecy Surrounding Senate Health Bill Raises Alarms in Both Parties*, The New York Times (June 15, 2017) (available at <https://www.nytimes.com/2017/06/15/us/politics/secrecy-surrounding-senate-health-bill-raises-alarms-in-both-parties.html>); *The Senate's Health Care Bill Remains Shrouded in Secrecy*, NBC News (June 15, 2017) (available at <http://www.nbcnews.com/politics/congress/senate-s-health-care-bill-remains-shrouded-secrecy-n772456>).

<sup>7</sup> See *Trump Urges Insurers to Work Together to 'Save Americans from Obamacare'*, The Washington Post (February 27, 2017) (available at [https://www.washingtonpost.com/news/wonk/wp/2017/02/27/trump-urges-insurers-to-work-together-to-save-americans-from-obamacare/?utm\\_term=.3ebd20302a30](https://www.washingtonpost.com/news/wonk/wp/2017/02/27/trump-urges-insurers-to-work-together-to-save-americans-from-obamacare/?utm_term=.3ebd20302a30)); *Health Insurers Make Case for Subsidies, but Get Little Assurance from Administration*, The New York Times (April 18, 2017) (available at <https://www.nytimes.com/2017/04/18/health/health-insurers-make-case-for-subsidies-but-get-little-assurance-from-administration.html>).

<sup>8</sup> *Anthem Sought Changes to Obamacare Replacement in Trump Meeting*, Bloomberg (March 15, 2017) (available at <https://www.bloomberg.com/politics/articles/2017-03-15/anthem-sought-changes-to-obamacare-replacement-in-trump-meeting>).

If the Senate version is anything like what passed the House, the Republican bill will be a boon to insurers and special interests, and the giveaways to those industries would be paid for by those who can least afford it. Furthermore, the Administration seems more concerned about winning over insurers than they do the public, going so far as to use coercion to get their support. At one meeting with insurers, Seema Verma, the Administrator of CMS, reportedly promised that the Administration would continue to make cost-sharing reduction payments under the ACA if insurers supported the Republican bill.<sup>9</sup> The Administration has also granted a waiver to your Chief of Staff, a former health care lobbyist, which allows him to disregard ethics rules and to work on the specific matters he once lobbied on.<sup>10</sup> These actions are appalling and the American people deserve better.

Some insurers have made public statements about the negative effects of the Trump Administration's actions and of Republican legislative proposals on their customers. In a letter to the Tennessee insurance commissioner, the President and CEO of BlueCross BlueShield of Tennessee wrote, "[g]iven the potential negative effects of federal legislative and/or regulatory changes, we believe it will be necessary to price-in those downside risks, even at the prospect of a higher-than-average margin for the short term, or until stability can be achieved."<sup>11</sup> In a statement, Anthem said, "the individual market remains volatile and the lack of certainty of funding for cost-sharing reduction subsidies, the restoration of taxes on fully insured coverage and, an increasing lack of overall predictability simply does not provide a sustainable path forward to provide affordable plan choices for consumers."<sup>12</sup> When asked what he would recommend to customers in Iowa, the Vice President of Medica advised, "Call your elected officials."<sup>13</sup> It is important that these views, and the views of all Americans who will be affected by a Republican bill, get incorporated as the Trump Administration and Congressional Republicans make decisions that affect that entire health care system.

In order to provide much needed transparency and oversight into Republican efforts to dismantle important health care programs and the promises that were made to insurers in an effort to secure their support, please provide the following records no later than June 28, 2017:

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<sup>9</sup> *Health Insurers Plan Big Obamacare Rate Hikes – and They Blame Trump*, Los Angeles Times (May 22, 2017) (available at <http://www.latimes.com/politics/la-na-pol-obamacare-trump-mismanagement-20170518-story.html>).

<sup>10</sup> See United States Office of Government Ethics Release (June 7, 2017) (available at [https://www.oge.gov/web/OGE.nsf/0/67460009B646BBF88525813800566276/\\$FILE/Certain%20agency%20records%20recd%20in%20response%20to%20PA-17-02.pdf](https://www.oge.gov/web/OGE.nsf/0/67460009B646BBF88525813800566276/$FILE/Certain%20agency%20records%20recd%20in%20response%20to%20PA-17-02.pdf)).

<sup>11</sup> Letter from JD Hickey, President and CEO, BlueCross BlueShield of Tennessee, to Julie Mix McPeak, Commissioner, Tennessee Department of Commerce and Insurance (May 9, 2017) (available at [https://cdn1.vox-cdn.com/uploads/chorus\\_asset/file/8487845/JDH\\_Letter\\_CommMcPeak\\_FV.0.pdf](https://cdn1.vox-cdn.com/uploads/chorus_asset/file/8487845/JDH_Letter_CommMcPeak_FV.0.pdf)).

<sup>12</sup> See *Anthem to Exit 2018 Obamacare Insurance Exchange*, Business Insider (June 6, 2017) (available at <http://www.businessinsider.com/anthem-obamacare-insurance-exchange-2017-6>).

<sup>13</sup> *The Costs of Trump's Sabotage of Obamacare Already are Showing Up in Rate Hikes*, Los Angeles Times (May 16, 2017) (available at <http://www.latimes.com/business/hiltzik/la-fi-hiltzik-obamacare-sabotage-20170516-story.html>).

1. All documents and communications between the Department of Health and Human Services and health insurance companies or health insurance policy or advocacy groups, since January 20, 2017, regarding the American Health Care Act or any potential legislation to replace or modify the Affordable Care Act.
2. All documents and communications, since January 20, 2017, regarding any discussions or meetings with health insurance companies or health insurance policy or advocacy groups pertaining to the American Health Care Act or any potential legislation to replace or modify the Affordable Care Act. This includes, but is not limited to, meeting notices, meeting agendas, meeting notes, information materials, and calendar entries.

You stated in a hearing before the Senate Appropriations Committee last week that you have “instructed everybody in [your] Department to respond to any requests from Members of Congress.”<sup>14</sup> We therefore look forward to your cooperation and prompt response. Thank you for your assistance in this matter.

Sincerely,



Robert P. Casey, Jr.  
Ranking Member  
Senate Aging Committee



Patty Murray  
Ranking Member  
Senate HELP Committee



Ron Wyden  
Ranking Member  
Senate Finance Committee

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<sup>14</sup> United States Senate Commission on Appropriations, *Hearing on Review of the FY2018 Department of Health & Human Services Budget Request* (June 15, 2017).