



NOV 27 2017

Administrator
Washington, DC 20201

The Honorable Carol Shea-Porter
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Shea-Porter:

Thank you for your letter regarding funding for the Navigator program. I appreciate hearing from you on this issue. The Patient Protection and Affordable Care Act requires each Health Insurance Exchange (whether Federally-facilitated or state-based) to have a Navigator program to, among other things, help facilitate enrollment of individuals in qualified health plans (QHPs) through the Exchange.

The Centers for Medicare & Medicaid Services (CMS) is in the third year of a three-year Navigator grant for the Federally-facilitated Exchanges (FfEs). Last spring, CMS Navigator grantees were required to submit non-competing continuation applications to receive funding for the third year of the grant project period and were informed of anticipated potential funding allotments based on available funds and grantee past performance.

When CMS issued Notices of Award in September 2017, we decided to make awards to many grantees that are lower than the potential funding allocations identified last spring. For the third year of the three-year grant, CMS awarded funding to Navigator grantees based partly on their ability to meet their goals for assisting consumers with enrolling in a QHP during the previous grant year. For example, a grantee that achieved 100 percent of this goal for the 2016-2017 grant year received the same level of funding as indicated in its initial funding letter in May, while a grantee that achieved only 70 percent of this goal received 70 percent of the amount in its initial funding letter, a reduction of 30 percent. This approach will promote accountability within the Navigator program.

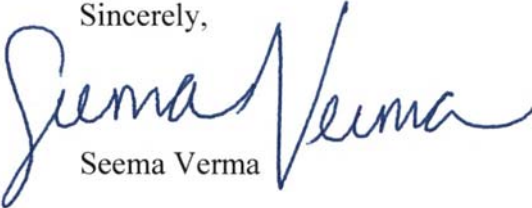
Consumers continue to have multiple options to assist them in enrolling in coverage for 2018 in the FfEs, including HealthCare.gov, the call center, agents and brokers, and enrollment directly with an issuer. In addition, CMS is spending \$10 million on marketing and outreach activities in the FfEs in order to meet the needs of new and returning enrollees. This is comparable to the \$10 million CMS spends on Medicare Open Enrollment outreach. During the last Open Enrollment Period in the FfEs, CMS spent more than \$100 million on promotional activities – nearly double what was spent in 2015 – but saw first-time enrollment decline by 42 percent and effectuated enrollment decline by approximately 500,000 individuals.

CMS also is targeting its marketing and outreach activities to educate consumers on the new dates of the Open Enrollment Period in the FFEs for the individual market through digital media, email, and text messages. These outreach methodologies have proven the most effective in reaching existing and new enrollees. Outreach is also targeted based on specific demographic and geographic data. This approach is not only based on previous evaluation of past FFE outreach efforts, but is also consistent with promotional spending on Medicare Advantage and Medicare Part D.

Despite changes to funding for the Navigator program and outreach activities, more consumers have selected Qualified Health Plans so far this year, compared to a similar time period last year. In the first two weeks of the Open Enrollment Period for 2018, which is now 45 days long, 1,478,250¹ people selected plans using the HealthCare.gov platform. The number in the first two weeks of Open Enrollment for 2017 was 1,008,218² people.

I look forward to working with you and other members of Congress to provide every American with access to affordable coverage choices. Thank you again for taking the time to provide your feedback. I will provide a copy of this response to the co-signers of your letter.

Sincerely,



Seema Verma

¹ <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2017-Fact-Sheet-items/2017-11-15.html?DLPage=1&DLEntries=10&DLSort=0&DLSortDir=descending>

² <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2016-Fact-sheets-items/2016-11-16.html?DLPage=2&DLEntries=10&DLSort=0&DLSortDir=descending>