

February 9, 2021

Representative Bobby Scott Chairman Committee on Education and Labor Washington, D.C. 20515 Representative Virginia Foxx Ranking Member Committee on Education Washington, D.C. 20515

Dear Chairman and Ranking Member:

The Council for Affordable Health Coverage (CAHC, www.cahc.net) writes in support of the COBRA subsidy provision included in the upcoming COVID-relief reconciliation legislation to be considered by the Committee this week. As a result of this provision, millions of Americans who lost their job, were furloughed or who had a reduction in hours and who lost their health coverage, might continue to access health care.

CAHC is a broad-based alliance with a primary focus: bringing down the cost of health care for all Americans. CAHC promotes policies that lower health costs through increased competition, informed consumers and more choices. Our members include medical providers, patient groups, insurers, pharmaceutical manufacturers, pharmacy benefit managers, and employers.

During this difficult time, many employers have worked to maintain their furloughed employees on the existing health plan and to subsidize COBRA for their laid-off workers. Even so, millions of Americans face the prospect of losing their health coverage in the coming months. The number of initial claims for unemployment insurance continues to be more than triple its pre-pandemic levels thus far in 2021.

Americans electing COBRA coverage are not only able to continue coverage with which they are familiar, but also avoid the high deductibles and cost sharing that often come with alternative sources of coverage. COBRA coverage maintains workers' access to their existing in-network medical providers and the prescription drugs they were using before they lost their employment-based health insurance coverage. There is no question that for those with serious and chronic medical conditions, keeping their existing coverage – including access to the same doctors and prescriptions – will help maintain better health.

Providing access to COBRA subsidies is a targeted solution to help those who most need it, while making it easier for employers to re-hire laid-off employees. CAHC supports premium assistance for continuation of private coverage as a way help those who lose their jobs or who are furloughed. We urge the Committee to include these measures in the COVID relief bill.

Sincerely

Jøel/C. Whi President