



Submitted electronically via www.regulations.gov

Association of
American Medical Colleges
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August 22, 2023

Ms. Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-2023-0106
P. O. Box 8010
Baltimore, MS 21244-8010

Re: Request for Information Regarding Medical Payment Products (CMS-2023-0106)

Dear Administrator Brooks-LaSure:

The Association of American Medical Colleges (AAMC or the Association) welcomes this opportunity to comment on the “Request for Information Regarding Medical Payment Products,” 88 *Fed. Reg.* 44281 (July 12, 2023), issued by the Consumer Financial Protection Bureau, the Centers for Medicare & Medicaid Services (CMS or the Agency), and the Department of the Treasury (the departments). This request for information (RFI) seeks feedback on consumers’ use of medical payment products to pay for care and how these products may increase consumers’ medical debt.

The AAMC is a nonprofit association dedicated to improving the health of people everywhere through medical education, health care, medical research, and community collaborations. Its members are all 157 U.S. medical schools accredited by the Liaison Committee on Medical Education; 13 accredited Canadian medical schools; approximately 400 teaching hospitals and health systems, including Department of Veterans Affairs medical centers; and more than 70 academic societies. Through these institutions and organizations, the AAMC leads and serves America’s medical schools and teaching hospitals and the millions of individuals across academic medicine, including more than 193,000 full-time faculty members, 96,000 medical students, 153,000 resident physicians, and 60,000 graduate students and postdoctoral researchers in the biomedical sciences. Following a 2022 merger, the Alliance of Academic Health Centers and the Alliance of Academic Health Centers International broadened the AAMC’s U.S. membership and expanded its reach to international academic health centers.

There are often many reasons patients struggle to afford care. Chief among them is consumers’ inability to afford comprehensive health insurance coverage. Consumers enrolled in health insurance plans that offer limited benefits or have high patient cost-sharing obligations drives medical debt. The AAMC applauds the administration’s recent proposed rule to limit the use of short-term, limited duration health plans.¹ We urge the departments to continue to focus on ways to ensure consumers have access to affordable, comprehensive health insurance options.

¹ 88 FR 44596

Focus on Providing Consumers with Access to Affordable, Comprehensive Health Insurance

Insurance coverage does not guarantee access to care. High premiums and cost shifting to consumers in the form of high deductibles, copayments, and coinsurance can make accessing needed medical care a challenge. The inability to afford rising health insurance premiums and increasing out-of-pocket costs significantly drive consumers' medical debt. While the Affordable Care Act provided consumers with expanded health insurance options, there are still many individuals who cannot afford to purchase insurance in the Marketplace, even with the enhanced subsidies and premium tax credits. Further, many states have chosen not to expand Medicaid, leaving millions of potentially Medicaid-eligible individuals without coverage.

Excessive use of utilization management tools, such as prior authorization and step therapy, can force patients to delay or forgo needed care, including the initiation and continuance of prescription drugs.² In some instances, delays in care result in patients requiring acute care to treat exacerbations of chronic medical conditions. When this happens, patients tend to be sicker and the treatments more expensive.

More should be done to enable consumers to purchase health insurance that offers more comprehensive, meaningful benefits. For example, eliminating the availability of health insurance plans that are not subject to the essential health benefits³ requirements. The departments should focus on insurance reforms that provide consumers with access to affordable insurance products with reasonable cost-sharing requirements that meet their health care needs.

Hospitals' Tax-Exempt Status Should Not Be Impacted by Patients' Use of Medical Payment Products

Many hospitals with tax-exempt status are safety-net providers and the providers of last resort for many patients, including the uninsured. In addition, most tax-exempt hospitals must comply with requirements imposed by section 501(r) of the Affordable Care Act to retain their Federal exemption under section 501(c)(3) of the tax code. As required by law, tax-exempt hospitals provide charity care that includes financial assistance programs that provide free or discounted medical care to patients who cannot afford to pay. Information on a hospital's financial assistance program is available on its website. The financial assistance program information includes the criteria for qualifying for free or discounted services and applies to all individuals who are unable to pay for all or a portion of their medical expenses.

Hospitals' financial assistance programs require patients to provide financial information in order to determine eligibility. However, patients can choose not to submit the application for financial assistance which excludes them from consideration. If patients do not qualify for a hospital's financial assistance program, they can be faced with the difficult decision of how to pay for medical care. Some forego care while others turn to credit cards or loans to cover the costs. That is why access to affordable, comprehensive health insurance options is essential to mitigate financial hardships for both patients and hospitals.

² <https://pubmed.ncbi.nlm.nih.gov/35389285/>

³ A set of 10 categories of services health insurance plans must cover under the Affordable Care Act. These include doctors' services, inpatient and outpatient hospital care, prescription drug coverage, pregnancy and childbirth, mental health services, and more. <https://www.healthcare.gov/glossary/essential-health-benefits/>

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CONCLUSION

Thank you for the opportunity to comment on this RFI. We would be happy to work with the departments on any of the issues discussed or other topics that involve the academic community. If you have questions regarding our comments, please feel free to contact Mary Mullaney at mmullaney@aamc.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Jaffery', with a stylized flourish extending to the right.

Jonathan Jaffery, M.D., M.S., M.M.M., F.A.C.P.
Chief Health Care Officer

cc: David Skorton, M.D., AAMC President and Chief Executive Officer