

# United States Senate

WASHINGTON, DC 20510

March 4, 2018

Doug Gray  
Executive Director  
Virginia Association of Health Plans  
1111 East Main Street, Ste. 910  
Richmond, VA 23219

Dear Mr. Gray:

As we continue to respond to and prepare Virginia for any potential cases of the coronavirus (COVID-19) in the Commonwealth – we are writing to request that you work with your member companies, and other stakeholders as needed, to eliminate cost-sharing burdens that could deter individual's willingness and ability to seek medical care.

As you likely know, healthcare costs in the U.S. have risen significantly in recent years and can often be an unfortunate barrier to Americans seeking needed medical care. A 2017 study found that Americans paid \$1,122 dollars on average in out-of-pocket costs for their medical care – much higher than individuals in other industrialized nations.<sup>1</sup> In addition, a 2018 report found that about 40 percent of Americans reported skipping a recommended medical test or treatment and 44 percent said they did not go to a doctor when they were sick or injured in the last year because of cost.<sup>2</sup>

We are fortunate that to date there have been no confirmed cases of the coronavirus in Virginia. While public health officials have warned us to expect the virus to spread, we must work to contain the virus as much as possible. In order to limit the spread of this deadly disease, we must ensure that at-risk individuals seek medical care as soon as possible – and that potential cost burdens are not a deterrent to seeking diagnosis and treatment. In Virginia, about 10 percent of residents lack any form of medical insurance. Among the insured, many individuals still face high deductibles and resultant out-of-pocket costs that could be a deterrent to seeking medical care in a timely fashion.<sup>3</sup>

It is uncertain what the entirety of patient costs associated with COVID-19 may be, but we have already seen disturbing reports of patients left with enormous bills after appropriately and responsibly seeking medical care. In Miami, a patient with healthcare insurance returned from China and sought medical treatment for flu-like symptoms, but still received a \$3,270 dollar

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<sup>1</sup> Tikkanen, Roosa, and Abrams, Melinda. "U.S. Health Care from a Global Perspective, 2019: Higher Spending, Worse Outcomes?" Commonwealth Fund. January 2020, [https://www.commonwealthfund.org/sites/default/files/2020-01/Tikkanen\\_US\\_hlt\\_care\\_global\\_perspective\\_2019\\_OECD\\_db\\_v2.pdf](https://www.commonwealthfund.org/sites/default/files/2020-01/Tikkanen_US_hlt_care_global_perspective_2019_OECD_db_v2.pdf)

<sup>2</sup> Westhealth Institute and NORC Chicago. (2018, March 26) *New Survey Finds Large Number of People Skipping Necessary Medical Care Because of Cost More Americans fear medical bills than they do serious illness* [Press Release] Retrieved from <https://www.westhealth.org/press-release/survey2018/>

<sup>3</sup> Skopec, Laura, Shartzter, Adele, and Aarons, Josh. "A Profile of Virginia's Uninsured, 2018." The Urban Institute. 28, February 2020, <https://www.vhcf.org/data/profile-of-virginias-uninsured/>

medical bill after his hospitalization.<sup>4</sup> An American who was evacuated from Wuhan received a \$3,918 in medical bills after he and his 3-year-old daughter were required to spend several days in an isolation unit at a local children's hospital.<sup>5</sup> If patients fear the financial consequences of seeking appropriate screening, treatment and quarantine, it will severely handicap the government's ability to control the spread of this virus.

We urge your association and member companies to work with Governor Ralph Northam's Administration, the Virginia State Corporation Commission and other stakeholders as needed, to guarantee that individuals enrolled in private insurance plans are shielded from cost burdens that could jeopardize our ability to prevent the spread of the coronavirus in Virginia. Thank you in advance for your consideration of this request and we look forward to working with you and other stakeholders on this important issue moving forward.

Sincerely,



Mark R. Warner  
U.S. Senator



Tim Kaine  
U.S. Senator

cc: Karen S. Lynch, Executive Vice President, CVS Health and President, Aetna Business Unit  
Gail K. Boudreaux, President and CEO, Anthem  
Brian D. Pieninck, President and CEO, CareFirst BlueCross BlueShield  
David Cordani, President and CEO, Cigna Health and Life Insurance Co.  
Kenneth Fasola, CEO, Magellan Health  
Richard Tugman, CEO, Piedmont Community Health Plan  
David S. Wichmann, CEO, United Health Group  
Linda Hines, CEO, Virginia Premier  
Gregory A. Adams, CEO, Kaiser Permanente  
Dennis Matheis, President and CEO, Optima Health Insurance Company

<sup>4</sup> A Miami man who flew to China worried he might have coronavirus. He may owe thousands. (2020, February 24), *Miami Herald*. Retrieved from <https://www.miamiherald.com/news/health-care/article240476806.html>

<sup>5</sup> Kept at the Hospital on Coronavirus Fears, Now Facing Large Medical Bills. (2020, February 29), *New York Times*. Retrieved from <https://www.nytimes.com/2020/02/29/upshot/coronavirus-surprise-medical-bills.html>

Mario Schlosser, CEO, Oscar Insurance Company

Sunil Budhrani, CEO and CMO, Innovation Health Insurance Company