



June 19, 2019

Nancy Potok, Chief Statistician
Office of Management and Budget
New Executive Office Building
725 17th St. NW
Washington, DC 20006

RE: Directive No. 14, "OMB-2019-0002"

Dear Dr. Potok:

On behalf of the American Academy of Family Physicians (AAFP), which represents 134,600 family physicians and medical students across the country, I write in response to the [request for comment](#) on the Consumer Inflation Measures Produced by Federal Statistical Agencies as posted by the Executive Office of the President, Office of Management and Budget (OMB) in the May 7, 2019 *Federal Register*.

OMB seeks comments on the differences among the various consumer price indexes produced and how those differences might influence the estimation of the Official Poverty Measure (OPM). Based on this public feedback, OMB will consider the need to update the specific inflation measure used to adjust the OPM.

It is the [policy](#) of the AAFP that health is a basic human right for every person and that the right to health includes universal access to timely, acceptable and affordable health care of appropriate quality. An AAFP [goal](#) based upon our policy is that federal and state governments work to achieve health care coverage for all. As a result, we have concerns with OMB's request for comment given that OMB acknowledges that "changes to the poverty thresholds, including how they are updated for inflation over time, may affect eligibility for programs that use the poverty guidelines." [Research](#) points to the positive impact of increased access to Medicaid under the *Affordable Care Act* (ACA). Specifically, [studies](#) have demonstrated the positive impact Medicaid coverage expansion has had on health outcomes, self-reported health, financial security, access to care, and utilization of services.

One [vision](#) of the AAFP is to transform health care to achieve optimal health for everyone. Poverty is one obstacle that can affect our patients' health. Poverty does not automatically determine an individual's health status, although it can significantly influence it. This distinction opens a door of opportunity at both the individual and population levels. Society can intervene to mitigate poverty's negative effects on individual and population health by expanding access to health care, providing infrastructure that supports healthy habits, and promoting strategies to reduce poverty.

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Over the past two decades, policies implemented through the Children's Health Insurance Program (CHIP) and the ACA have extended access to affordable health care coverage to millions of previously uninsured, non-Medicare eligible adults and children. The uninsured population reached a historic low of [8.8%](#) under the implementation of these policies established within the framework of the Official Poverty Measure.

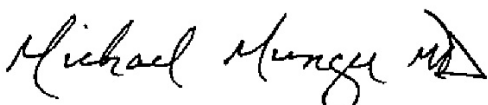
Further, AAFP is concerned that a change to the consumer price index used for the purposes of annually adjusting the Official Poverty Measure would result in more individuals losing coverage or seeing a reduction in benefits. According to an [analysis](#) by the Center on Budget and Policy Priorities, a lower inflation measure to calculate annual adjustments to the federal poverty line ultimately would cut billions of dollars from these federal health programs and cause millions of people to lose eligibility or reduced access from programs. The analysis finds that after ten years:

- More than 250,000 seniors and people with disabilities would lose their eligibility for, or receive less help from, Medicare's Part D Low-Income Subsidy Program, meaning that they would pay higher premiums for drug coverage and more out of pocket for their prescription drugs. Meanwhile, more than 150,000 seniors and people with disabilities would lose help paying for Medicare premiums, meaning that they would have to pay premiums of over \$1,500 per year to maintain Medicare physician coverage.
- More than 300,000 children would lose comprehensive coverage through Medicaid and the CHIP, as would some pregnant women. In addition, more than 250,000 adults who gained Medicaid coverage from the ACA expansion would lose it.
- More than 150,000 consumers who buy coverage through the ACA marketplaces would lose eligibility for or qualify for reduced cost-sharing assistance, increasing their deductibles by hundreds or even thousands of dollars. And tens of thousands would lose eligibility for premium tax credits altogether, driving their premiums up, in many cases by thousands of dollars. In addition, millions of consumers who buy coverage in the marketplace would still get premium tax credits, but their credits would be smaller. They, too, would thus have to pay higher premiums; these increases would start small but would grow over time.

Based on this analysis and existing AAFP policy, the AAFP strongly opposes any changes to the federal government's definition of poverty that reduce eligibility for Medicaid, Supplemental Nutrition Assistance Program (SNAP), and other federal programs on which many low-income Americans depend. We strongly urge careful consultation of the AAFP's [position paper](#) titled, "Poverty and Health - The Family Medicine Perspective" as the Administration contemplates further policy changes.

We appreciate the opportunity to comment. Please contact Robert Bennett, Federal Regulatory Manager, at 202-655-4908 rbennett@aafp.org with any questions or concerns.

Sincerely,



Michael L. Munger, MD, FAAFP
Board Chair