

# Statement of Support for State Health Care Innovation by Federal Legislators

## Federal Waivers Are Needed for State-Level Fiscally-Responsible Health Care for All

THE PATIENT PROTECTION AFFORDABLE CARE ACT (PPACA) increases coverage for many Americans, yet leaves many without secure health care. Personal costs for many will not be affordable and the overall system may prove to be financially unsustainable. Parallel state and federal tracks are the path to fiscally-responsible health care for all.

The first track calls for the states to continue to be the engines of innovation and is in keeping with the federalist system embodied in our Constitution. States not only have the right, but the obligation, to innovate in order to better serve its residents. Accordingly, several states are developing legislation for a single system to pay for their residents' health care. Numerous state-based economic studies, as well as health systems in other nations, demonstrate that all eligible residents can have secure, robust coverage for less than we are now spending. This needs to be tested and demonstrated in the United States. A number of polls have shown majority support among Americans for this type of plan. The more people understand such a system, the more they like it.

The second track calls for federal legislative waivers to enable state systems to be established. The PPACA allows for states to establish alternatives to a state insurance exchange if such plans meet or exceed PPACA standards. For states to successfully implement state-wide alternatives, the following waivers and amendments are needed:

- Waiving ERISA preemptions for state plans
- Allowing Medicare, Medicaid, SCHIP, and other federal dollars to go through a state system
- Dropping PPACA's restriction prohibiting state innovation before 2017
- Allowing a state-based one-payer plan to substitute for the insurance exchange
- Removal of the five-year reapplication process in favor of automatic renewal of waivers, provided that PPACA standards continue to be met

I support the above two-track strategy and specifically the federal legislative waivers that would allow states to implement alternatives that increase access to affordable health care and responsibly control costs.

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**Senator/Representative**