



February 25, 2014

Marilyn Tavenner, Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Submitted electronically: FFecomments@cms.hhs.gov

RE: 2015 Letter to Issuers in the Federally-facilitated Marketplace (FFM)

Dear Administrator Tavenner:

We are writing on behalf of the Choice and Competition Coalition, a partnership of businesses, providers, brokers, and insurers working to ensure that Health Benefit Exchanges/Marketplaces promote competition and preserve consumer choice. The Coalition's mission has been to ensure exchanges make it easier for individuals and employers to shop, compare, and enroll in health insurance coverage while fostering competition and choice for consumers. Our Coalition actively participated in rulemaking activity surrounding development of the Exchanges/Marketplaces and assisted in publicizing their availability.

We appreciate the opportunity to provide additional comments on the draft Annual Letter. The draft Letter reiterates that all Federally-facilitated Marketplaces (FFMs) and State-based Exchanges must launch an automated shopping, enrollment, and billing process for *employee-choice* in 2015. In April of last year and in response to a proposed rule, we recommended in contrast that the Department of Health and Human Services (HHS) maintain an *employer-choice* model "*beyond 2014.*" Problems associated with the rollout of the FFMs and State-based Exchanges have confirmed our view that achieving basic functionality should be given priority over more complex functionality such as an employee-choice model.

Building on our April 2013 recommendation and remaining consistent with our long-held principles that Exchanges/Marketplaces and Small Business Health Options Program (SHOP) be kept simple and that employers maintain the option to select qualified coverage among the health plans offered, **we urge the Administration to delay implementation of employee-choice in 2015.** At this time, employers and health plans do not have milestones or timelines for adequate implementation and testing of the complicated employee-choice model later this year.

To avoid replicating the implementation challenges for the FFMs this year, including the late Federally-facilitated Marketplace announcement of an alternate SHOP enrollment path for employers, SHOP development should focus exclusively on creating a functional employer-choice model in 2015. A functional model would include the ability for SHOP to process enrollments for employers and communicate them to issuers in an automated manner.

Thanks again for the opportunity to provide comments.

Sincerely,

The Choice and Competition Coalition