



April 19, 2005

The Honorable Michael Enzi  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

We are writing today on behalf of the American Cancer Society and its millions of volunteers and supporters to share our strong concerns about S. 406 the Small Business Health Fairness Act of 2005. The establishment of Association Health Plans (AHPs), as proposed and defined by this bill, would undermine important patient protections and could hamper our efforts to prevent, detect and treat cancer.

The American Cancer Society is strongly committed to the goals of this legislation as stated by its proponents: making quality health insurance more affordable and reducing the number of uninsured people in our country. However, the bill's exemption of AHPs from state-enacted regulations and patient protections means that in many states, participants in these health plans would lose their guarantee of coverage for such critical cancer screenings as mammograms and colorectal cancer screening tests.

For years, the Society has fought to ensure that cancer patients have access to high quality cancer prevention, early detection and treatment services. State oversight and consumer protections, including state insurance coverage requirements for mammograms, colorectal cancer screenings and other cancer screenings and treatments, are key to ensuring this high quality care and have helped to produce favorable health outcomes for people at risk for cancer or who already have cancer. Currently, citizens across the country are protected by a combined total of more than 130 different laws to ensure coverage for vital cancer screenings and treatments. Exempting AHPs from these coverage requirements will likely resurrect barriers to care that the American Cancer Society has worked tirelessly to break down.

We are also very concerned by the Congressional Budget Office's determination that most of the individuals who would be covered by AHPs are already covered by traditional health plans, and a very real possibility exists that costs for those with insurance today could rise to offset discounts given to AHPs. Objective estimates suggest that the number of individuals covered through small firms would only increase by about 330,000 under the AHP proposal, while 20 million private health insurance consumers would face increases in costs and 10,000 currently insured individuals could lose their health insurance altogether because of the offsetting increase in health insurance premiums. Further, the legislation enables AHPs to "cherry pick" healthy individuals, placing affordable care out of reach of those who need it the most, including cancer patients and survivors.

Given our assessment of the costs in terms of quality coverage and the likelihood that there will be more losers than winners under the AHP scenario, we have been exploring alternative approaches for meeting our mutual goals of improving access to care and reducing the number of uninsured. Among these possible approaches are premium subsidies, reinsurance pools, allowing buy-in to the Federal Employees Health Benefit Plan, or a combination of those alternatives. Our policy analysts have been evaluating various alternatives to AHPs, and we would be happy to meet with you to discuss them further.

We recognize the enormous difficulties that small businesses and their employees face in the health insurance market. Expanding the numbers of people with insurance coverage is a worthy goal for all of us, but we must be careful to make sure that we are delivering quality coverage in the process. Carving out more Americans from the protections afforded by their own states is not an acceptable price to pay. We stand ready to work with you and your colleagues to identify effective solutions.

Thank you for taking cancer patients and all Americans at risk of cancer into consideration as you address these difficult issues. If you have any additional questions, please contact Andrew Fish, Senior Director of Federal Government Relations (202-661-5709).

Sincerely,



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