

Vote Yes on JCHC Supported Health Insurance Affordability Measures

HB 675 & SB 422

Removes the health insurance tobacco surcharge (Recommended by JCHC members 12-1)

Per the JCHC Health Insurance Affordability in the Individual Market Report¹:

- Insurers can charge tobacco users 1.5x more than non-tobacco users, the “tobacco surcharge”.
- 6 states and Washington, D.C. prohibit the tobacco surcharge.
- Financial assistance through the Marketplace DOES NOT cover the tobacco surcharge, meaning the **consumer must pay the full cost of the surcharge.**
- The tobacco surcharge was intended to promote tobacco cessation. Numerous studies have shown it does not **and leads to more uninsured individuals**, especially low-income individuals.
- Plans are required to cover tobacco cessation free of charge, keeping people out of coverage leaves them unable to access this important benefit.
- **Eliminating the surcharge is projected to reduce the number of uninsured Virginians by 14,000.**

HB 312, Item 493#5h & SB 469, Item 493 #1s

Directs the Virginia Health Benefits Exchange (VHBE) to develop and implement an annual marketing and outreach plan, including in-person assistance. Provides additional funding in 2023 to ensure a smooth transition from healthcare.gov to a state-run platform.

(Recommended by JCHC members 11-1-1)

- **60.5% of Virginia's uninsured** non-elderly adults have income below 200% FPL², meaning they are **very likely eligible for Medicaid or a \$0 premium plan through the Marketplace.**
- 83% of uninsured adults who sought Marketplace or Medicaid coverage found at least one enrollment step somewhat or very difficult.³
- 46% of uninsured adults reported no or little knowledge about Marketplace options and 65% reported little or no knowledge about Marketplace financial assistance.³
- As of December 15, 2021, **296,257 Virginians were enrolled health plans through healthcare.gov.** A smooth transition to a state-based platform will prevent unintended losses in coverage for these individuals and families.⁴
- The VHBE will be collected user fees after Virginia transitions to the state-based platform (2024 and ongoing), making this investment a one-time need to ensure a smooth transition.

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¹See *Joint Commission on Health Care's Health Insurance Affordability in the Individual Market Report*,

<http://jchc.virginia.gov/Health%20Insurance%20Affordability%20in%20the%20Individual%20Market%20final%20report.pdf>

²See Virginia Health Care Foundation, *Profile of Virginia's Uninsured, 2019*, <https://www.vhcf.org/wp-content/uploads/2021/04/2021-Profile-of-Virginias-Uninsured-Final.pdf>

³Urban Institute Coronavirus Tracking Survey, <https://www.urban.org/sites/default/files/publication/103558/many-uninsured-adults-have-not-tried-to-enroll-in-medicaid-or-marketplace-coverage.pdf>, September 2020

⁴See CMS Marketplace 2022 Open Enrollment Report: December National Snapshot, <https://www.cms.gov/newsroom/fact-sheets/marketplace-2022-open-enrollment-period-report-december-national-snapshot>