

ONE HUNDRED SIXTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115  
Majority (202) 225-2927  
Minority (202) 225-3641

October 22, 2019

The Honorable Seema Verma  
Administrator  
Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
200 Independence Avenue SW  
Washington, DC 20201

Dear Administrator Verma:

We write today to request additional information about the current status of the Navigator program that was established under the Patient Protection and Affordable Care Act (PPACA).

Launched in 2013, the Navigator program provides consumer outreach and enrollment assistance for health insurance exchanges. Under Section 1311(i) of PPACA, navigators are required to, among other things: (1) conduct public education activities that raise awareness of the availability of qualified health plans (QHPs); (2) distribute fair and impartial information concerning enrollment in QHPs and the availability of premium tax credits and cost-sharing reductions; (3) facilitate enrollment in QHPs; (4) provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage; and (5) provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the health insurance exchange.<sup>1</sup>

Each year since 2013, the Centers for Medicare and Medicaid Services (CMS) has provided grants to entities who serve as navigators in states with a federally-facilitated exchange (FFE).<sup>2</sup> Thus far, CMS has provided \$313 million in grant dollars for this program.

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<sup>1</sup> Section 1311(i) of the Patient Protection and Affordable Care Act (PPACA).

<sup>2</sup> In the first few funding opportunity announcements for the Navigator program, the U.S. Department of Health and Human Services (HHS) included “state partnership exchanges” in the title of the funding opportunity announcement. In more recent funding opportunity announcements, HHS has not included “state partnership exchanges” in the title of the funding opportunity announcement. *See* Centers for Medicare and Medicaid Services, Center for Consumer

**Table 1: Grants Awarded to Support Navigators  
in the Federally-Facilitated Exchange**

Award Year	Amount	Number of Organizations
2013	\$67 million <sup>3</sup>	105
2014	\$60 million <sup>4</sup>	92
2015	\$67 million <sup>5</sup>	100
2016	\$63 million <sup>6</sup>	98
2017	\$36 million <sup>7</sup>	86 <sup>8</sup>
2018	\$10 million <sup>9</sup>	39
2019	\$10 million <sup>10</sup>	34

We have been examining the Navigator program and its effectiveness since it was established. During this work, we have identified implementation challenges and wasteful spending of taxpayer dollars. For example, after sending letters to CMS and 51 navigator grant recipients in 2013 regarding the intended use of taxpayer dollars, the Subcommittee on Oversight and Investigations held a hearing with the then-Deputy Administrator and Director for the Center for Consumer Information and Insurance Oversight (CCIIO) at CMS, Gary Cohen, and asked questions about CMS’ oversight of the program.<sup>11</sup> One of the top issues at the hearing was

Information and Oversight, *Funding Opportunities* (last visited Sept. 9, 2019), available at <https://www.cms.gov/CCIIO/Resources/Funding-Opportunities/index.html#Navigator%20Grants>.

<sup>3</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Oversight, *Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces, Funding Opportunity Number CA-NAV-14-002* (June 10, 2014).

<sup>4</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Oversight, *Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces, Funding Opportunity Number CA-NAV-15-001* (April 15, 2015).

<sup>5</sup> Jessica Kendall and Kara Nester, *New Navigator Grants to Aid Enrollment in ACA Health Insurance*, FAMILIES USA (Sept. 2, 2015), available at <https://familiesusa.org/blog/2015/09/new-navigator-grants-aid-enrollment-aca-health-insurance>.

<sup>6</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, *CMS awards consumer assistance funding to support 2017 Health Insurance Marketplace enrollment* (Sept. 6, 2016), available at <https://www.cms.gov/newsroom/press-releases/cms-awards-consumer-assistance-funding-support-2017-health-insurance-marketplace-enrollment>.

<sup>7</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, *CMS Announces New Funding Opportunity Announcement for the Federally-Facilitated Exchange Navigator Program* (Jul. 10, 2018), available at <https://www.cms.gov/newsroom/press-releases/cms-announces-new-funding-opportunity-announcement-federally-facilitated-exchange-navigator-program>.

<sup>8</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Oversight, *2017 CMS Navigator Grant Recipients* (last visited Sept. 6, 2019), available at <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/Navigator-Grant-Recipients.pdf>.

<sup>9</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, *Grants Awarded for the Federally-Facilitated Exchange Navigator Program* (Sept. 12, 2018), available at <https://www.cms.gov/newsroom/press-releases/grants-awarded-federally-facilitated-exchange-navigator-program>.

<sup>10</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, *2019 Federally-Facilitated Exchange Navigator Cooperative Agreement Awards* (Aug. 30, 2019), available at <https://www.cms.gov/newsroom/fact-sheets/2019-federally-facilitated-exchange-navigator-cooperative-agreement-awards>.

<sup>11</sup> Two Weeks Until Enrollment: Questions for CCIIO: Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce, 113th Cong., Preliminary Transcript (Sept. 19, 2013).

program security and how navigators would protect applicant financial and health information. Some members also raised concerns about the amount of spending for each individual a navigator expected to enroll—for example, one navigator was awarded \$80,000 to enroll 312 people.<sup>12</sup> The day after the hearing, then-Chairman Fred Upton and other members of the Committee wrote to CMS asking the Agency to follow-up on unanswered questions.<sup>13</sup> We also asked questions about the Navigator program at additional Committee hearings.<sup>14</sup>

More recent reviews of the Navigator program have also found that the program has been an ineffective and inefficient use of limited government resources. For instance, for plan year 2017, navigators were awarded \$62.5 million in grants and enrolled 81,426 individuals—which amounts to \$767 per person.<sup>15</sup> The number of individuals enrolled through navigators accounted for fewer than one percent of total enrollees.<sup>16</sup> Moreover, many navigators have not met their enrollment goals each year. For example, according to a document released by CMS, one grant recipient in the Navigator program had an enrollment goal of 2,000 individuals for the 2017 plan year, yet only enrolled one person.<sup>17</sup> Similarly, another entity expected to enroll 5,463 people for the 2017 plan year, yet only enrolled 309 people.<sup>18</sup>

To strengthen program oversight and accountability, CMS revised the funding structure of the program.<sup>19</sup> In 2017, CMS announced that it would start awarding funding to navigators based on their ability to meet their enrollment goals for the previous year,<sup>20</sup> and, as shown in Table 1 above, CMS reduced funding for the Navigator program to \$10 million in 2018. At the Committee's February 2019 hearing, Grace-Marie Turner from the Galen Institute highlighted how CMS data shows that navigators enrolled less than 1 percent of all enrollees in the federal

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<sup>12</sup> *Id.*

<sup>13</sup> H. Comm. on Energy and Commerce, *Members Continue Investigation into Health Law's Navigator Grants to Protect Taxpayer Dollars and Americans' Sensitive Personal Information* (Sept. 23, 2013), available at <https://republicans-energycommerce.house.gov/news/press-release/members-continue-investigation-health-law-s-navigator-grants-protect/>.

<sup>14</sup> See, e.g., 2014: Seeking PPACA Answers: *Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. On Energy and Commerce*, 113th Cong., Preliminary Transcript (Jan. 16, 2014); Security of Healthcare.gov: *Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce*, 113th Cong., Preliminary Transcript (Nov. 19, 2013).

<sup>15</sup> U.S. Dep't of Health and Human Services, Centers for Medicare and Medicaid Services, *CMS Announcement on ACA Navigator Program and Promotion for Upcoming Open Enrollment* (Aug. 31, 2017), available at <https://www.cms.gov/newsroom/press-releases/cms-announcement-aca-navigator-program-and-promotion-upcoming-open-enrollment>.

<sup>16</sup> See The Editorial Board, *Navigating ObamaCare*, THE WALL STREET JOURNAL (Sept. 1, 2017), available at <https://www.wsj.com/articles/navigating-obamacare-1504302783>.

<sup>17</sup> U.S. Dep't of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Oversight, *Navigator QHP Goals vs. Enrollments Nov 1-Aug 1* (Nov. 22, 2017), available at <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/Navigator-QHP-Goals-Enrollments.pdf>.

<sup>18</sup> *Id.*

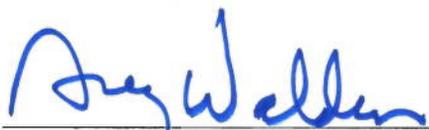
<sup>19</sup> U.S. Dep't of Health and Human Services, Centers for Medicare and Medicaid Services, Center for Consumer Information and Oversight, *Policies Related to the Navigator Program and Enrollment Education for the Upcoming Enrollment Period* (Aug. 31, 2017), available at <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/Policies-Related-Navigator-Program-Enrollment-Education-8-31-2017.pdf>.

<sup>20</sup> *Id.*; U.S. Dep't of Health and Human Services, Centers for Medicare and Medicaid Services, *Grants Awarded for the Federally-Facilitated Exchange Navigator Program* (Sept. 12, 2018), available at <https://www.cms.gov/newsroom/press-releases/grants-awarded-federally-facilitated-exchange-navigator-program>.

marketplace while private brokers and agents enrolled 42 percent of enrollees.<sup>21</sup> Moreover, she raised questions about how changes to the health insurance market since the Navigator program was established—such as more Americans knowledgeable about health insurance and many individuals being enrolled in plans that automatically renew—should impact available funding under the program.<sup>22</sup> She testified that “[b]ecause many people on the exchange are automatically reenrolled, there is less need for assistance than when the program was new.”<sup>23</sup>

On August 30, 2019, CMS awarded 34 organizations a total of \$10 million to serve as navigators.<sup>24</sup> Given the flawed history of the Navigator program, we have questions about this funding and the overall role of navigators. Accordingly, we request a briefing by November 5, 2019 about the Navigator program, including updated information about the number of consumers enrolled each year by each navigator in recent years, the cost for each individual enrolled through the Navigator program, CMS’ oversight of the Navigator program, and ongoing areas of concern with program accountability and effectiveness. Please contact Natalie Sohn or Brittany Havens with the Republican Committee staff at (202) 225-3641 with any questions and to schedule the requested briefing.

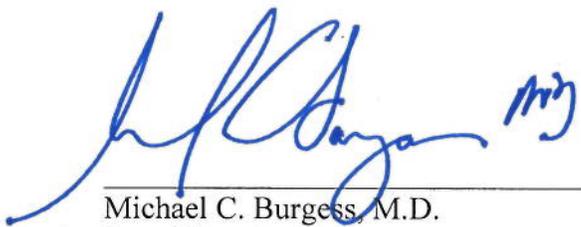
Sincerely,



Greg Walden  
Republican Leader



Brett Guthrie  
Republican Leader  
Subcommittee on Oversight  
and Investigations



Michael C. Burgess, M.D.  
Republican Leader  
Subcommittee on Health

<sup>21</sup> Strengthening Our Health Care System: Legislation to Reverse ACA Sabotage and Ensure Pre-Existing Conditions Protections: *Hearing Before the Subcomm. on Health of the H. Comm. On Energy and Commerce*, 116th Cong., Preliminary Transcript (Feb. 13, 2019).

<sup>22</sup> *Id.*

<sup>23</sup> Strengthening Our Health Care System: Legislation to Reverse ACA Sabotage and Ensure Pre-Existing Conditions Protections: *Hearing Before the Subcomm. on Health of the H. Comm. On Energy and Commerce*, 116th Cong., Written Statement of Grace-Marie Turner, President, Galen Institute (Feb. 13, 2019).

<sup>24</sup> U.S. Dep’t of Health and Human Services, Centers for Medicare and Medicaid Services, *2019 Federally-Facilitated Exchange Navigator Cooperative Agreement Awards* (Aug. 30, 2019), available at <https://www.cms.gov/newsroom/fact-sheets/2019-federally-facilitated-exchange-navigator-cooperative-agreement-awards>.

- cc. The Honorable Frank Pallone, Jr, Chairman, Committee on Energy and Commerce
- cc. The Honorable Diana DeGette, Chair, Subcommittee on Oversight and Investigations
- cc. The Honorable Anna G. Eshoo, Chair, Subcommittee on Health