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November 2, 2015

John Dalrymple  
Deputy Commissioner for Services and Enforcement  
Internal Revenue Service  
Attention: CC:PA:LPD:PR (REG-143800-14)  
Room 5203  
1111 Constitution Avenue, NW  
Washington, D.C. 20224

**Re: REG-143800-14: Minimum Value of Eligible Employer-Sponsored Health Plans**  
80 Fed. Reg. 52678 (September 1, 2015)

Dear Deputy Commissioner Dalrymple:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the supplemental notice of proposed rulemaking providing guidance on whether health coverage under an eligible employer-sponsored plan provides minimum value (MV). ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation's leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

Under the Affordable Care Act (ACA), large-group and self-insured employer plans are not required to cover all the essential health benefits. It is technically possible for such a plan to meet the MV requirements without covering inpatient hospital and/or physician services. Under the proposed clarification, employer-sponsored plans would only meet the ACA's MV standard if the plan met both the 60 percent quantitative standard AND the plan provides "substantial coverage" of inpatient and hospital services and physician services.

ACS CAN strongly supports the IRS' clarification. Under the ACA, an employee who is offered employer-sponsored coverage that is affordable and meets the minimum value test is ineligible for federal premium tax credits and cost-sharing reductions through the marketplace. We believe that coverage for inpatient hospital services and physician services is an essential component of any meaningful health care plan.

In addition, we strongly urge the IRS to clarify that additional key benefits constitute a necessary component of any health plan meeting MV standards. For example, prescription drug coverage is a core element of any health insurance coverage. While research suggests that more than 99 percent of workers are covered by employer-sponsored plans that offer a prescription drug benefit,<sup>1</sup> we remain concerned that prescription drug coverage is not a universally-accepted benefit for individuals enrolled

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<sup>1</sup> Kaiser Family Foundation and Health Research & Educational Trust, 2015 Employer Health Benefits Annual Survey, (Sept. 22, 2015), available at <http://kff.org/health-costs/report/2015-employer-health-benefits-survey/>.

in employer-sponsored coverage. Prescription drugs – including chemotherapy treatments – constitute a majority of options to treat cancer. In addition, cancer patients often take supportive drugs concurrent with or subsequent to their chemotherapy. Therefore, we strongly urge the IRS to clarify that an eligible employer-sponsored plan also must include prescription drug coverage in order to meet its MV requirements.

Finally, while we are pleased the IRS clarified that inpatient hospital services constitute a necessary component of a plan offering MV coverage, it is unclear whether emergency department services and hospital outpatient physician care are included within this definition. We urge the IRS to clarify that these necessary services are included in its revised definition.

### **Conclusion**

Thank you for the opportunity to comment on the proposed rule providing guidance on whether health coverage under an eligible employer-sponsored plan provides minimum value. If you have any questions, please feel free to contact me or have your staff contact Anna Schwamlein Howard, Policy Principal, Access and Quality of Care at [Anna.Howard@cancer.org](mailto:Anna.Howard@cancer.org) or 202-585-3261.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kirsten Sloan", is displayed on a light blue rectangular background.

Kirsten Sloan  
Senior Policy Director  
American Cancer Society Cancer Action Network