

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

January 13, 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
441 G Street N.W.
Washington, DC 20548

Dear Mr. Dodaro,

Pursuant to the Affordable Care Act (ACA), the Centers for Medicare and Medicaid Services (CMS) was authorized to provide federal grants to states for planning and establishing marketplaces, including websites and related information technology (IT) systems. These grant awards totaled approximately \$5.5 billion at the end of December 2014, with 83 percent of the funds awarded to states that chose to establish their own marketplaces (i.e., state-based marketplaces). Yet, roll-out and operation of the marketplaces has been problematic for many of these states, as websites froze or crashed, and other technical problems hindered or prevented consumers' ability to enroll in healthcare. Consequently, a number of states that struggled with their IT implementation are now using the federal IT platform to allow consumers to enroll. To date, four states—Hawaii, Nevada, New Mexico, and Oregon—have chosen this course for one or more years of marketplace coverage.

The ACA required state-based marketplaces to be self-sustaining beginning January 1, 2015, and prohibited CMS from awarding exchange grants after December 31, 2014. In the absence of federal funds to support state marketplace operations, questions remain as to whether states will be able to financially sustain their marketplace IT systems.

Given the significant federal investment in these state marketplaces, and the unavailability of federal grant funds to support state marketplace operations, we are requesting that the Government Accountability Office examine and report on this issue. In conducting your study, please include information that addresses the following questions:

1. What, if any, assistance has CMS provided to guide states that choose to transition to a different marketplace IT platform, and what are the associated costs and challenges for states in making this transition?

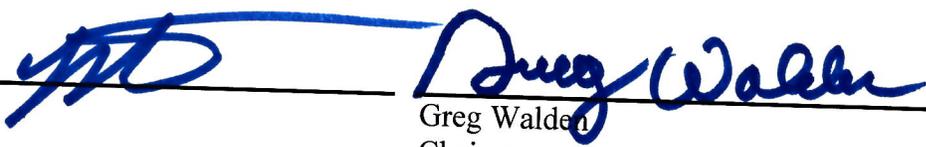
2. What, if any, assistance has CMS provided to guide states' efforts to financially self-sustain any future marketplace IT systems development and operations and what are selected states' plans for self-sustainability?
3. What, if any, role has CMS taken or planned to oversee and monitor the operation and performance of states' marketplaces in the absence of federal grant funds?

Thank you for your timely attention to this request. For questions about this request, please contact Jessica Donlon or Emily Felder at (202) 225-2927.

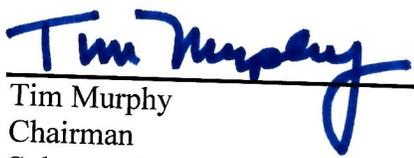
Sincerely,



Fred Upton
Chairman



Greg Walden
Chairman
Subcommittee on Communications &
Technology



Tim Murphy
Chairman
Subcommittee on Oversight and Investigations



Joe Pitts
Chairman
Subcommittee on Health

Attachment

cc: The Honorable Frank Pallone, Jr., Ranking Member

The Honorable Anna Eshoo, Ranking Member,
Subcommittee on Communications & Technology

The Honorable Diana DeGette, Ranking Member,
Subcommittee on Oversight and Investigations

The Honorable Gene Green, Ranking Member,
Subcommittee on Health