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United States Senate

COMMITTEE ON THE BUDGET
WASHINGTON, DC 20510-6100

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www.budget.senate.gov

July 19, 2013

The Honorable Kathleen Sebelius
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

As Ranking Member of the Senate Budget Committee, I write to express concerns about a Department of Health and Human Services (HHS) July 11, 2013, notice of intent to sole-source certain funds to Treatment Alternatives for Safe Communities (TASC-IL) for the purpose of enrolling recently released prisoners in health insurance exchanges.

The forecast for the Patient Protection and Affordable Care Act (PPACA) is anything but affordable. CBO recently estimated that about \$1.8 trillion will be spent on the law's coverage provisions alone from 2014-2023. Included in the law is a \$54 million fund earmarked for "Navigator" organizations for the purpose of educating and enrolling individuals into the exchanges. A second and separate group of individuals called "Assisters" perform the same functions, but are set up by each state and are funded by its federal exchange establishment grants. The standards for these programs are already under heavy scrutiny, evidenced by a recent letter from several of my Senate colleagues.¹ HHS has recently announced it will also be awarding \$150 million in supplemental funding for fiscal year 2013 to eligible state health care centers to aid in outreach and enrollment. This makes three separate enrollment initiatives performing the same functions.

In addition to these extensive enrollment efforts, according to this notice of intent HHS seeks to "increase insurance enrollment for ... individuals involved in the criminal justice system." According to the HHS announcement, this contract is intended to be sole-sourced to TASC-IL, located in Chicago, which will assist in enrolling these individuals.

¹ Letter to the Honorable Kathleen Sebelius. June 20, 2013.

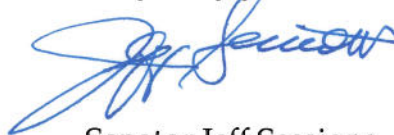
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Before any further funds are awarded to this initiative, I request that you first provide all documentation involved in awarding this grant to TASC-IL, as well as all information and documentation related to the first phase of this project. In addition, please provide answers to the following questions:

1. What are the justifications for sole-sourcing this contract to TASC-IL instead of putting it through a competitive bidding process, affording other eligible and qualified organizations the opportunity to offer the same services at a lower cost?
2. Are previously incarcerated individuals ineligible from being recruited by the Navigators and Assisters created under PPACA or health centers receiving supplemental funding? If they are eligible, why is an additional recruitment effort necessary?
3. A \$54 million fund has been created for the purpose of enrolling uninsured people in exchanges. An additional \$150 million is being awarded to supplement this effort. Are the funds used for this contract included in these amounts or are the funds an additional burden on the American taxpayers?
4. What are the costs of the two phases of this project? Are there additional phases or costs involved in the implementation of this program?
5. Is this program temporary or will it be continuous? If continuous, please provide the estimated costs of its continuation.

Please have your staff provide the requested information both in hard copy and electronic formats by August 19, 2013. If you have additional questions, please contact me, or have your staff contact Cari Kelly at cari_kelly@budget.senate.gov or (202) 224-0557. Thank you for your assistance in this matter.

Very truly yours,



Senator Jeff Sessions
Ranking Member
Senate Committee on the Budget

JS:ph