

## Fair-goers Living with Health Insurance Changes; Asking for More

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This week Sen. Kathleen Vinehout writes about health care conversations she had with people attending county fairs. Many **people were thankful for affordable health care rates** but others were concerned about the difference in insurance rates between Minnesota and Wisconsin.

### **Minnesota's rates were lower**

- . Local folks also
  - asked why Wisconsin turned down the federal Medicaid expansion dollars**
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BLACK RIVER FALLS, WI - “The Affordable Care Act has been godsend for me,” the middle-aged, single man whispered to me at the Jackson County Fair. “I had paid \$336 a month, now I pay \$56 and its better insurance.”

Health insurance, and what Wisconsin should do about it, was the topic of conversation at the Jackson County Fair. A local civic organization asked fair-goers the question; is the Affordable Care Act the same as Obamacare? Three out of four who answered this unscientific poll were correct: Yes!

One woman worried about the quarter who got the answer wrong. "They agree adult children should be covered on their parents plan until age 26," she told me. "They agree women should not pay more than men, pre-existing conditions should be covered, no life-time caps and we should have lower rates – but they hate Obamacare. They don't know these are the same."

I heard many whispered thanks for lower rates; whispered because it might not be socially acceptable to embrace Obamacare in mixed company at the fair. But moving from Jackson County to border counties - Trempealeau and Buffalo – I heard comparisons with Minnesota.

"My sister pays a third of what I pay," a woman said. "She lives in Winona. Why can't I get a better price?" Both women bought health insurance on the exchange. Minnesota has its own exchange; Wisconsin's governor turned down that option.

Reporters at the St. Paul Pioneer Press analyzed health insurance exchange rates across 36 states divided into 406 geographic areas. The Dunn County News summarized the reporters' work:

The Twin Cities [is] a rating area that has the lowest "benchmark" premium for a 50-year-old who doesn't smoke, according to data from the U.S. Department of Health and Human Services... The newspaper found that the rating area that covers Pierce, Polk and St. Croix counties in western Wisconsin has the second-highest benchmark premium for a 50-year-old nonsmoker.

How can it be the Cities has the lowest health insurance rates and, just across the river, the rates are the second highest of 406 different geographic areas?

The article attributes the price difference to a lack of competition in Wisconsin and "a convergence of policy decisions" between the two states. Two reasons mentioned by the Pioneer Press are the way the two states handled high-risk pools (known in Wisconsin as HIRSP) and whether or not the state accepted hundreds of millions in federal Medicaid money for newly eligible people.

Minnesota decided to keep high-risk people in their own state-run pool – at least for now. Wisconsin chose to eliminate the pool and send high-risk people to private insurance. Wisconsin's HIRSP program was very effective at providing high quality care while carefully controlling health costs.

Moving some 60,000 Wisconsin parents from BadgerCare to the private exchange likely raised rates for others buying through the exchange. Statistics tell us families of modest means will have higher health costs than those better off.

Debate still rages on whether or not Wisconsin should have its own exchange. I'm firmly in the "yes" camp. In the proposed law I drafted to create a Badger Health Exchange, high risk individuals would not immediately lose coverage and be sent to commercial insurance (raising rates in the entire pool). And in budget amendments drafted by my colleagues and me, Wisconsin would accept the projected \$2.4 billion federal money over 8 years and keep low-income parents on BadgerCare when their children were also eligible.

Recent state health department data shows a surprisingly low number of people who lost BadgerCare actually got insurance through the federal exchange. Only a third of parents who lost BadgerCare actually got private insurance. These families all live on the edge of poverty and all have children living at home.

Fair-goers I've met over the past few weeks don't understand why Wisconsin's governor turned back hundreds of millions to keep up the anti-Obamacare rhetoric. As one farmer said, "It's the law and we have to move on. We might not like it all, but it's the best we've got."

For those who now have affordable coverage the whispered words remain: the new law is a godsend.

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