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Uses authority from Trump Administration to allow sale of dangerous substandard health plans. BadgerCare Public Option is a better way to increase access to affordable, quality health coverage.

STATEWIDE - Last Tuesday the Walker Administration built on its 7-year record of sabotaging the Affordable Care Act (ACA) by permitting the continued sale of substandard "lemon" health plans through the end of 2019 on the individual and small group markets.

The move shows that Walker's dramatic change in tone in his State of the State Address, where he claimed to want to stabilize the Wisconsin individual health insurance market, was nothing more than empty an promise during an election year. The individual health insurance marketplace has been buffeted by years of sabotage by Congressional conservatives, President Trump, and the governor himself. The failed effort by Trump and Congressional Republicans to repeal the ACA without any viable replacement sparked a powerful public resistance which has made expanding the right to health care a first tier issue in the 2018 elections.

In a bulletin published by Walker's Office of the Commissioner of Insurance (OCI) on May 29, the agency announced that it was using new authority created by the Trump Administration in April to permit the sale of so-called "transitional" health plans until December 31, 2019. According to the OCI, this rule "provides insurers relief" from provisions of the ACA which "guarantee the availability of coverage;" prohibit "pre-existing condition exclusions or other discrimination based on health status;" "guarantee the renewability of coverage;" and guarantee "comprehensive health insurance coverage."

Citizen Action of Wisconsin has documented over the years that these substandard “lemon” plans increase health insurance prices on the ACA marketplace by skimming off healthier people. According to the Rand Corporation allowing the sale of such substandard plans increases ACA premiums by as much as 10%.

Perhaps most importantly, these transitional plans leave individuals without access to healthcare. Big insurance corporations tout low premiums to draw lower- and middle-class customers, and then leave them holding high medical bills.

That may be the cruelest part of this policy-- it causes premiums to rise on high-quality plans, forcing families to choose these “lemon plans.” Insurance corporations get to make money two ways: raising premiums on quality plans and not having to pay out many claims on “lemon plans.”

If Governor Walker really wants to make high quality healthcare more accessible and affordable for individuals and small businesses, he could take the following steps:

1.

Open BadgerCare to everyone in Wisconsin by creating a public option using the highly successful BadgerCare program. This would reduce premiums and deductibles by an average of 38% compared to private health insurance. It would help people who buy insurance as individuals as well as small businesses.

2.

Reverse his disastrous decision to turn down the Medicaid expansion money provided by the ACA. This would reduce premiums by about 7% , help healthcare providers by increasing reimbursement rates, and allow people to access the healthcare they need.


GOOD
DEAL
NO DEAL!