

Several states criticize Enzi health insurance bill

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CHEYENNE, Wyo. -- Insurance commissioners and other officials from several states are criticizing legislation sponsored by Sen. Mike Enzi, R-Wyo., that they say would strip states of their ability to set minimum coverage requirements for health insurance plans.

While Enzi says he intends his Health Insurance Marketplace Modernization and Affordability Act to allow people who are currently uninsured to afford coverage, officials from half a dozen states warn that the bill could in fact raise costs for many customers while reducing minimum coverage.

The Senate Health, Education, Labor and Pensions Committee last month approved the bill. Enzi, who chairs the committee, said the vote marked the end to a 15-year stalemate in providing more affordable health insurance options for small businesses and working families.

The bill would allow business or trade associations to band their membership together across state lines to shop for health insurance _ an approach supported by President Bush.

Minnesota Attorney General Mike Hatch, a Democrat, sent The Associated Press a letter stating his opposition to the bill, along with letters from state insurance officials and others in California, Florida, Nevada, New York, Rhode Island, Washington and Wisconsin either opposing the legislation outright or raising concerns about it in its present form.

Most of the comments focus on a provision in the bill that would pre-empt states from setting minimum requirements for health insurance plans.

Hatch, former state insurance commissioner who's now running for governor of his state, said Monday that states have developed requirements for minimum insurance coverage after learning the hard way that they're necessary.

"There are companies that are more than happy to sell policies that don't have maternity coverage," Hatch said.

Hatch isn't the only one concerned. In a letter to Enzi last month, California Attorney General Bill Lockyear: "As you are aware, there is a proliferation of health plans that do not cover maternity, basic and preventative services such as annual physicals, mammograms, colonoscopies, diabetic care service and supplies and other documented positive therapies," adding that the California Legislature has decided that any health plan offered in the state must offer such coverage.

"All of these, and other preventative health care protections, are guarantees that consumers in California and nationwide will lose if (the bill) is passed," Lockyear's letter said.

But Coy Knobel, Enzi's spokesman in Washington, said pre-empting state mandates for minimum coverage would help reduce the cost of insurance. He said it will be up to businesses to decide which plan they could afford and what coverage they wanted to purchase for their employees.

"My point is, you aren't going to get any benefits if you can't afford health insurance," Knobel said. "You need to be able to offer some sort of coverage, and in order to do that you can't have everything mandated."

Ken Vines, insurance commissioner for Wyoming, said Wyoming only mandates that health plans offered in the state offer cancer screening and diabetes coverage.

"It's possible that those things could be pre-empted under the bill, which would not be a good thing," Vines said of Enzi's bill.

Vines said he hadn't taken a position either for or against Enzi's bill, but said he shared concerns that the National Association of Insurance Commissioners expressed to the senator last month.

The association told Enzi that it appreciated that some improvements had been made to the bill, but expressed concern that the bill would supersede state rules on setting insurance rates for small groups.

"Deciding how risk will be spread in the market is very complicated and cannot be done on a 'one size fits all basis,'" the association said.