

Insurers Offer Universal Health Proposal

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Insurers have [released a universal care proposal](#) , increasing the ante before the grand tournament of health-care reform opens in January.

America's Health Insurance Plans (AHIP), the association for health carriers, released a broad outline of a plan that seeks to offer universal care, control costs by 30 percent, enhance portability of coverage from job to job and improve quality.

"AHIP's board and membership are committed to working with policymakers and other stakeholders to ensure that all Americans have affordable, high-quality health care coverage," said James Roosevelt Jr., president and CEO of Tufts Health Plan and co-chairman of AHIP's Policy Committee.

A spokesman for Sen. Edward Kennedy confirmed the senator's staff has been working with the carriers on ideas and "the insurance industry has advanced serious proposals that deserve serious analysis and consideration."

AHIP developed the plan after a series of town hall meetings on the issue earlier this year.

The proposal incorporates insurers' commitment to guarantee coverage for all individuals regardless of all pre-existing conditions in exchange for a requirement that everyone get health insurance, which was announced in mid-November. It also proposes to help low-income families afford coverage with tax credits that would phase out as income approaches 400 percent of the federal poverty line. The plan calls expanding Medicaid and strengthening the Children's Health Insurance Program.

AHIP is urging the establishment of an advisory committee that would identify ways to reach the goal of cutting health-care costs by 30 percent, which the association said would save \$500 million in five years. AHIP's "portable" coverage idea would bypass state minimum requirements, something insurance commissioners would likely fight.

President-elect Barack Obama and Democratic legislators have said health-care reform will be at the top of the agenda after Congress opens in January.

Critics immediately pounced on AHIP's plan, saying it still leaves substantial control of health care in the hands of insurers.

The California Nurses Association (CNA) called the proposal "a Marshall Plan" to support insurance companies.

"AHIP proposes to reduce future costs by 30 percent through a dubious program of shifting more risk to individuals, providers and government rather than place any limits on insurance industry price gouging, profiteering, or lavish executive pay packages," said Rose Ann DeMoro, CNA executive director.

Critics also noted AHIP was one of the leading opponents against health-care reform when it was attempted early in the Clinton Administration.

AHIP said the association recognizes the time is right for all parties to come to the table for health-care reform. Health insurers have said the lesson from the earlier attempt was that not including the full participation of all stakeholders will lead to failure.

Steve welcomes comment at smorelli@insurancenewsnet.com.

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