



FOR IMMEDIATE RELEASE: September 19, 2017

Contact: Bart Tapp, Media Relations Chair
(801) 566-6105 or bart@usdentistdirect.com

Topic: Health Insurance Market

Dear Editor,

The Utah Association of Health Underwriters (UAHU) is the leading professional association for health insurance brokers, producers and consultants. UAHU members work every day with individuals, families, and employers of all sizes to help them purchase health insurance and use the coverage in the best way possible. We are a dedicated group of specialists who advocate on behalf of our clients – Utah health insurance consumers. The professional health insurance broker community looks forward to the potential opportunities of working toward health insurance stability. To make the healthcare insurance market more efficient and more responsive to Utah employers and healthcare consumers, we would like to make recommendations.

These recommendations need to be made at the federal level. However, no matter the fate of the Affordable Care Act (ACA) or the recently proposed Better Care Reconciliation Act, the State of Utah should request Tom Price, Health and Human Services Secretary grant our state a waiver from many of the ACA requirements. Then our suggestions could be more easily implemented at the state level. These recommendations include the following:

Market Stabilizers to Reduce Cost and Improve Individual and Employer Market Risk Pools

Individual Market

Tighten both the open-enrollment and special enrollment periods to reduce adverse selection, and require documentation relative to the special-enrollment-period eligibility.

Reduce the number of special enrollment opportunities to lifestyle changes.

Reduce the 90-day grace period for non-payment of premium for individuals receiving premium tax credits to the same 30-day grace period for other covered individuals.

Allow any person to purchase catastrophic-category coverage regardless of age or income.

After a newly established, extended open-enrollment period of several months, open enrollment can then be at any time for those who experience lifestyle changes as long as they have not gone more than 60 days without coverage. Those who have exceeded 60 days would be subject to a late-enrollment penalty and a delayed enrollment effective date, similar to the penalties for Medicare Part B, for a five-year period.

Individual and Employer-Based Market

Increase flexibility for HSAs. For example, once other market stabilizers are in place, allow contributions equal to the out-of-pocket maximum and permit a limited number of office visits to be covered before the deductible each year.

Employer Based Market

Preserve the Employer Exclusion – The employer-sponsored health insurance system provides private-sector, market-based coverage for more than 175 million Americans, including those covered by unions. Eliminating the exclusion (employer and employee tax benefits) would be detrimental to the stability of the employer-based market and would negatively affect middle-class Americans.

State Controls

Age Rating Bands – Allow states to regulate their markets by allowing them to modify age-rating rules for their individual and small-employer markets. Create a level for rating rules of 6:1.

Allow states to be eligible for funding new hybrid high-risk pools. The new pools would not issue coverage but would be available as a reinsurance mechanism to insure risk above certain levels for high-risk individuals who were enrolled after going longer than 60 days without coverage.

May state and federal legislatures consider our recommendations to bring more stability to the healthcare market place.

Craig Paulson
UAHU President