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## **GROUNDWORK SET ON BASICS, PANEL WILL START WORK ON BLUES BILLS**

With an overview of how individual health insurance coverage works in states across the nation, the Senate Health Policy Committee can begin to focus more on specific legislation that could make major changes to the structure of the market in Michigan.

Committee Chair [Sen. Tom George](#) (R-Kalamazoo) said the hearing on Wednesday with Rod Turner, chief actuary with Washington, D.C.-based America's Health Insurance Plan, was a good overview on the subject for the committee which will hear and act on [HB 5282](#), [HB 5283](#), [HB 5284](#) and [HB 5285](#). "We focus mostly on health issues than on insurance," he said following the hearing.

But more hearings to deal with the specific issues related to the Michigan market will be needed, Mr. George said. He also said he does not have a time frame by which the committee would act on the bills favored by Blue Cross Blue Shield of Michigan and opposed by other health insurance companies.

Spokespersons for the Blues said the information that Mr. Turner issued largely supported their position that changes are needed to the individual market in the state to help minimize policy rate increases for individuals and provide greater stability to the market.

Spokespersons for the opponents said Mr. Turner's comments will be essential in sorting out the factual status of the individual market in Michigan.

The legislation would impose conditions on the individual market in Michigan that are similar to those established several years ago dealing with small group markets. Among other things, the legislation would allow for 10 rating areas on the individual market to be set in the state and put limits on how much rates could be increased.

Critics charge that the Blues, which controls some 70 percent of the health insurance market, is trying to use the bills to gain control of that market, while the Blues argues the measures would give consumers greater protections.

Mr. Turner did say that Michigan had a somewhat smaller percentage of uninsured residents than do other states and that rates tend to be lower in Michigan than in other states. Factors affecting insurance rates include the state of the local economy, the age of residents, overall health conditions and the cost of health care, he said.

Mr. Turner also said that more than 30 states have uninsured market pools that individuals can purchase health insurance through, most of those with rates subsidized since the premiums can be larger than those charged by private firms.

Mr. Turner also said there are just four states left, Michigan being one of them, where there is an insurer of last resort that must accept any applicant for care. In states with risk pools there is generally a period of open enrollment where anyone can apply for coverage.