

Solving the Uninsured Crisis -- NAHU Suggests Solutions

(March 10, 2003, Arlington, VA) -- The National Association of Health Underwriters (NAHU) believes that all Americans should have access to high-quality and affordable health care and it salutes the participants of "Cover the Uninsured Week" for raising the awareness of the plight of the nation's uninsured.

"More than 41 million Americans currently lack health insurance coverage," stated Janet Trautwein, vice president of government affairs. "And the more than 200 million Americans who do have the security and peace of mind that having health insurance provides are at risk of losing their coverage due to the rising costs of providing health care.

"We believe there is no one magic answer to the problem of the uninsured and rising health care costs. A multi-faceted approach will be required, since the American population is very diverse, and no one solution will fit the needs of all of our citizens.

"However, we do believe that any attempt to provide Americans with universal access to health coverage should preserve the private health insurance market. Other countries have experimented with government-run health care systems, and this has resulted in high-cost, low-quality rationed care. Americans need to be able to access a competitive health insurance marketplace with a wide range of health plan choices."

Some of the public policy components that NAHU feels would ensure that all Americans have access to affordable health insurance coverage include:

- The availability of advanceable health tax credits for low-income individuals. This credit must be able to be used to purchase coverage either through the individual health insurance market or through the employer-based health insurance system.

- The availability of a health care safety net for the lowest income segments of our population that utilizes the private market wherever possible to provide individuals with high-quality medical options. A good example of this are Health Insurance Flexibility and Accountability (HIFA) waivers, which allow the states that obtain them to use existing Childrens Health Insurance Program (CHIP) dollars to help low-income parents purchase private employer-sponsored health insurance coverage for their dependents.

- The Medicare system must undergo comprehensive reform, so that American seniors have the option of choosing a health plan that more closely mirrors what is available today in the under-65 market. This would include a plan with a wide-ranging prescription drug benefit.

"Another important facet for reducing the uninsured is having vibrant and competitive state health insurance markets," explained Jessica Waltman, director of state affairs.

"Allowing a wide range of health insurance options for consumers gives them the opportunity to choose a health plan that best fits their needs."

To achieve this goal, state markets need to:

- Have a guaranteed access mechanism in place, such as a high-risk pool or a designated carrier of last resort where people with catastrophic medical conditions can purchase coverage in the individual market.
- Allow for the use of medical underwriting in health insurance policies, which keeps health insurance costs low, instead of community rating mechanisms that drive up costs.
- Limit the number of mandated benefit requirements, which drive up the overall cost of health insurance markets.
- Provide a balanced degree of health plan regulation to encourage a competitive marketplace.
- Allow for a wide range of health plan choices to be sold in the state, to accommodate the varying needs of different types of consumers.

"We feel it is important to elevate the issue of the uninsured every day and we will continue to work with members of Congress and state legislators to find sensible solutions to this national crisis," added Trautwein. "Insuring America is in everyone's best interest."

The National Association of Health Underwriters represents more than 17,000 professional health insurance agents and brokers who provide insurance for millions of Americans. For more information, please contact Kelly Loussedes, director of public relations at 703-276-3835 or kloussedes@nahu.org.

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