

News from the

**U.S. Senate Committee on
Health, Education, Labor and Pensions**

Michael B. Enzi (Wyoming), Chairman



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ENZI RESPONDS TO UNFOUNDED ATTACKS ON S. 1955

Washington, D.C. – U.S. Senator Mike Enzi (R-WY), Chairman of the Senate Health, Education, Labor and Pensions Committee (HELP Committee) today took aim at some of the outrageously false accusations being made by opponents of the Enzi-Nelson Small Business Health Plan (SBHP) bill, S. 1955.

“I am dismayed by the lengths to which opponents of this bill will go to secure their own profits,” Enzi said. “Several insurance companies have launched an all-out campaign of misinformation to deceive the public about the language and potential of this bill. They distort the facts and create complete fabrications, using scare tactics to frighten individuals into opposing legislation that would actually benefit them.”

Enzi cited one group, the so-called “Coalition to Protect Access to Affordable Health Insurance, as being particularly driven to instill fear of the bill and prevent its passage.

“This appears to be nothing but a group of nine health insurance companies interested only in protecting their own interests, at the expense of the American worker,” Enzi said. “Who but these insurance companies could possibly describe the current health insurance system as one that is affordable and should be protected and maintained?”

“The fact is, some insurance companies now hold a virtual monopoly over the insurance industry in their states, offering small businesses and working families few options at high costs,” Enzi explained. “This bill will open the industry to competition, driving down the costs of premiums. Some insurance companies, of course, do not want to see this happen – and they’re pulling out all the stops to prevent it.”

In order to set the record straight, Enzi responded to numerous myths about S. 1955, like those that are being disseminated by the Coalition:

Myth #1: “The bill will make health insurance less affordable, and millions of Americans would lose coverage.”

Fact: This statement is completely and fundamentally false, not supported by any empirical data or actuarial analysis. Actuaries with the firm Mercer Oliver Wyman report that the Enzi-Nelson bill would reduce health insurance premiums for small business owners by 12 percent – as much \$1,000 less per employee. And the Congressional Budget Office estimates that some 750,000 more Americans would have private health insurance under S. 1955.

Myth #2: “The bill eliminates key health care benefits, and Americans would be at risk for losing coverage. It is bad for patients.”

Fact: The Enzi-Nelson bill in no way “eliminates benefits.” Rather, it allows small business groups to offer group plans across state lines without forcing them to adhere to 1,800 different state benefit mandates. The cost and complexity of navigating this regulatory web has made it impossible to offer uniform and affordable benefit packages on a regional or national basis, like big companies, unions and the federal government do.

The Enzi-Nelson bill allows small businesses to band together across state lines, just like large businesses and unions, to use their combined purchasing power as leverage at the negotiating table. It puts small businesses and working families in the driver’s seat, not big insurance companies, allowing them to demand the benefits they want for their own families, at prices they can afford.

Large companies and unions that self-insure do not have to abide by any state mandates, yet they wisely offer comprehensive plans, knowing that if they don’t offer a good package, someone else will. In fact, the vast majority of health plans cover a wide array of benefits, regardless of states mandates. Why should it be any different for small business owners, who would be selecting plans for their own families and loved ones?

The Enzi-Nelson bill is not bad for patients. It’s bad for some insurance companies – and that’s why they’re so opposed to it.

Myth #3: “The bill would permit discrimination in health insurance based on age, sex, occupation, and health status.”

Fact: This is a gross fabrication. The Enzi-Nelson bill contains specific provisions to *prevent* discrimination in health insurance based on age, sex, occupation, and health status. It also specifies that any difference in premium costs between different plans offered through an SBHP must be based only on the cost of the added benefits themselves, and not on the age, status, or profile of the person purchasing the plan. Workers who are sick or elderly are already protected under federal law from discrimination, and the Enzi-Nelson bill would not change that.

Myth #4: “The bill would over-ride states’ abilities to ensure basic protections and eliminate their ability to protect residents against insurance fraud.”

Fact: The Enzi-Nelson bill responds to criticisms of past Association Health Plan (AHP) legislation by preserving the role of the state as the primary regulator and licenser of insurance companies and plans. State insurance commissioners and attorneys general would retain their authority to ensure that insurers uphold their obligations to consumers.

Myth #5: “The bill would prevent individuals from suing insurance companies at the state level.”

Fact: This statement is completely unfounded. As previously stated, the states would continue to regulate the insurance companies. Therefore, consumers would retain their right to file suit for violations of *state* regulations.

As the bill heads to the floor of the Senate for debate, Enzi is optimistic that the facts will ultimately win the day.

“This campaign of misinformation directed at the American public is deeply troubling,” Enzi said. “However, I am confident that when Americans understand the truth about this bill, they will support it in overwhelming numbers. I look forward to bringing S. 1955 to the floor, where a full and open debate would reveal the enormous upside of our bill.”

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