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Debate continues over Michigan health insurance proposals By Tim Martin Associated Press Writer

LANSING (AP) - The debate about changing Michigan's rules guiding health insurance for individuals who aren't covered by employer or government plans may last several more weeks.

The Legislature will end up considering at least three separate plans, including two Republican proposals that are set to be debated by a Senate committee. A third plan already has been passed by the Democrat-controlled House with Republican support.

Some of the debate about the differing proposals centers on whether to create a high-risk pool to cover individuals turned down by other insurers, according to details released Wednesday in the **Senate Health Policy Committee**.

The House-approved bills are favored by **Blue Cross Blue Shield of Michigan** and would create a high-risk pool. The pool would require all insurers participating in the individual market to help cover losses when they reach a certain point. Many of the House provisions are opposed by Blue Cross rivals.

Sen. Tom George, a Republican from Kalamazoo and chairman of the Senate Health Policy Committee, detailed a plan that would not include a high-risk pool. Some other lawmakers, including Sen. Jason Allen, R- Traverse City, would prefer a plan that includes a high risk pool. That provision could be included in an upcoming proposal.

George's plan would include provisions aimed at expanding access to coverage, including subsidies or tax credits for some buying individual health insurance policies. Much of the money for those programs could come from Blue Cross.

George said his plan includes some consumer protections. His plan would retain the attorney general's oversight role for Blue Cross individual market rates, a provision that would be dropped in the House plan.

George's plan also would include incentives by allowing insurers to offer better rates to people who exercise or don't smoke.

The plan would allow Blue Cross's for-profit subsidiary, **The Accident Fund**, to expand into lines of insurance beyond its current worker's compensation offerings. But the company would have to pay the state \$100 million to get that approval, with the money going to programs to help expand health coverage.

Blue Cross officials noted that Senate Republicans disagree on the proposals and that they still are awaiting details of some of the competing plans. Blue Cross spokesman Andrew Hetzel said he is confident lawmakers will see that change in the individual market is "something that Michigan needs."

Blue Cross rivals, including many for-profit companies, welcomed the ongoing debate.

"Today's news that the Senate will continue to thoroughly deliberate legislation to reform the individual insurance market is welcome news for all Michigan consumers," Denise DeCook, spokeswoman for the **Coalition for Access and Affordability in Michigan**, said in a statement. The coalition represents commercial insurers.

The **Coalition for a Fair and Competitive Insurance Market**, which includes some property casualty insurers, said it was encouraged by George's concepts.