



National Association of Health Underwriters

America's Benefits Specialists

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NAHU Welcomes Opportunity to Propose New Health Care Reform Ideas

(Arlington, VA) – Janet Trautwein, CEO of the National Association of Health Underwriters (NAHU), made the following statement today in response to President Obama’s State of the Union Address:

“Health care was second only to the economy on voters’ minds in the midterm elections. Their message was crystal clear: Enact sensible, bipartisan changes to the health reform law with a view toward creating jobs. We applaud President Obama for acknowledging that current health care reforms lack broad appeal and we are encouraged by his request for new bipartisan ideas.

“We are pleased to see the strong commitment from the president to reform medical liability laws. Runaway lawsuits have forced physicians to leave their practices in many locations, resulting in a real crisis in access to health care services as well as increased health care costs for all Americans.

“We strongly support repealing the 1099 provision in the health reform law, but this is just one of several issues that need to be addressed in order to create more jobs in this nation. Employer mandates – the rule that most employers must pay new taxes if they don’t offer government-approved health insurance – must also be repealed. This mandate is a job-killer at a time when unemployment is still sky-high. If companies can’t afford to give their workers insurance the government deems acceptable, they simply can’t afford to make new hires. Republicans and Democrats alike want to revive the economy, and killing the employer mandate would be an easy way to help.

“The mandate is not the only thing that could hurt workers more than it helps them. The stringent medical loss ratios (MLR) are set to invalidate many administrative expenses that undeniably improve patient care. Fraud and abuse prevention programs, for example, will fall on the wrong side of the MLR divide and will likely be eliminated, which makes no sense. Efforts to reduce fraud ensure that insurance dollars go to those who need them most – the truly sick. Limiting those efforts will drive up premiums for everyone.

“The medical loss rules may also diminish access to insurance agents and brokers. Millions of individuals and small businesses depend on licensed agents and brokers to help them navigate the health care marketplace and find health plans that suit their needs and budgets. Without agents' expert advice, many individuals and businesses will end up spending more for insurance policies than they otherwise would.

“The health care reform law needs some reform of its own, and the economy needs jobs. Fixing the former will help with the latter. The president and lawmakers of both parties must recognize this reality and act accordingly.”

NAHU represents more than 100,000 professional health insurance agents and brokers who provide insurance for millions of Americans. For more information, please contact Kelly Loussedes, NAHU vice president of public relations at 703-276-3835 or kloussedes@nahu.org or Neil Crosby, CAHU vice president of public affairs at 800-801-2300 ext. 408 or neilc@warnerpacific.com.

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