

Idaho Department of Insurance

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Op Ed – Health Insurance Misconceptions

BOISE ID – Since the election, much has been said about what the Obamacare repeal and replacement may look like for Idahoans. Unfortunately, some of what has been said is incomplete, misleading, or inaccurate. I want to clarify some of the misconceptions. I and the Department of Insurance also want to be a resource to the questions you may encounter as our health insurance system is debated.

Perhaps the biggest misconception is that Idahoans can afford for Obamacare to remain unchanged. Every Idaho insurance carrier continues to lose millions of dollars in the individual health insurance market. These losses translate into higher premium increases for Idahoans, reduced availability, and narrower provider networks. The individual insurance market is not on a sustainable path.

This dilemma is not unique to Idaho. Across the country, insurance carriers are withdrawing from the individual marketplace. In 2017, 70% of the counties across America have two or fewer carriers and 33% of the counties only have one carrier. Already for 2018, some carriers have announced their withdrawal, potentially leaving citizens with limited choices

I have seen evidence that with the repeal and replacement of Obamacare insurance premiums will be significantly lower in Idaho on very good products and Idahoans will have more choices to buy plans that better fit them.

Another misconception is that pre-existing conditions will not be covered under the proposed Obamacare replacement. Recent media hype portrays newborns with health conditions as being uninsurable. This is blatantly misleading and ignores federal law, the proposed law, and Idaho state law.

Let me be clear: a newborn baby cannot be denied coverage under Idaho law as long as the child is enrolled on their parents' plan within 60 days. Under current and proposed federal law a newborn child would be entitled to a special enrollment period. The proposed bill does not change the opportunity for the child to obtain health insurance, and a carrier could not deny or restrict that coverage, as long as the child is enrolled within 60 days from birth.

Further, even under proposed changes all plans would continue to be **GUARANTEED ISSUE** and **GUARANTEED RENEWABLE**, which means no one can be denied coverage.

The proposed modification to pre-existing conditions applies to consumers who have deliberately chosen to go without coverage until after they have a costly health condition. Similar to Obamacare, those individuals would be able to obtain coverage at the next open enrollment or

special enrollment period; however, under the proposal would pay a higher premium for a limited time period based on their prior decision to forgo coverage.

No other type of insurance allows a consumer to go without coverage and then to enroll only after a costly event has occurred. You cannot buy homeowners insurance after your home is on fire.

If you are concerned about a pre-existing condition, the answer is to obtain and maintain continuous coverage. Continuous coverage guarantees no pre-existing condition exclusions apply under current federal and state law.

The Idaho Department of Insurance is happy to respond to your questions or concerns. We are anxious to dispel misconceptions, alleviate fears and help stabilize the marketplace. Please visit our website to fact check a rumor, ask a question, and read the answers to previously asked questions.

Although I know the road ahead may be bumpy, I am confident we will get through it. This is a critical decision and deserves to have accurate and complete information.

About the Department of Insurance

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. For more information, visit www.doi.idaho.gov.

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