

Ron Johnson Senate Hearing Will Showcase Sabotage of Affordable Health Care

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Witnesses include Walker Administration insurance bureaucrat who is part of efforts to undermine access to affordable health care in Wisconsin.

WASHINGTON, DC - This morning Senator Ron Johnson, Chair of the Senate Homeland Security & Governmental Affairs Committee, [will hold a hearing](#) on the state of health insurance markets. Observers of health policy expect the hearing to try and build support for repealing the Affordable Care Act (ACA).

Senator Johnson, an arch opponent of guaranteed affordable health care, is expected to use the hearing to advance his desire to return to the days when insurance companies profited through discrimination based on preexisting conditions, age, and gender. Johnson will likely claim that big for profit insurance companies pulling out of ACA marketplaces is a reason to repeal health care reform, rather than for holding those highly profitable corporations accountable. At least one health insurance company is pulling out [in retaliation](#) for the Obama Administration enforcement of the nation's antitrust laws.

One of the challenges in implementing the ACA continues to be conservative state officials who are willing to use their power to undermine access to affordable health care for their own constituents. These actions include rejecting coverage for low income residents and enabling for profit insurance companies to continue to profit by selling policies to healthy people and avoiding those with health conditions.

The first witness on Sen. Johnson's [hearing notice](#) is Wisconsin Deputy Insurance Commissioner J.P. Wieske, who had been one of the leaders in Governor Scott Walker's efforts

to sabotage the health care reform law.

The record of actions the Walker Administration is long and troubling. Here is a sampling:

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The Walker Administration made Wisconsin the only state in the Great Lakes region to reject enhanced Medicaid dollars, kicking [77,000 people off the state's BadgerCare program](#). New research shows that states like Wisconsin who refused Medicaid dollars forced more people with health conditions onto the ACA marketplace,
[increasing premiums by about 7%.](#)

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The Wisconsin Insurance commissioner [sought a waiver](#) from the rule that health insurance companies spend at least 80% of premiums on medical care, the so called 80/20 rule.

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The Wisconsin Insurance Commissioner allowed health insurance corporations to game the system by allowing the continued [sale of substandard lemon plans](#), which according to research by

[Milliman](#) , [Aca](#)

[demy of Actuaries](#)

, and

[Rand Corporation](#)

, increase ACA marketplace premiums by up to 10% by allowing insurance companies to continue to cherry pick healthier customers. There are as many as

[45,000 Wisconsinites](#)

on these so-called transitional plans. These skimpy plans also are dangerous for customers who face serious medical conditions.

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The Wisconsin Insurance commissioner has been extremely lax on health insurance rate review, failing to find a single health insurance industry rate request to be excessive in 5 years. The Walker Administration has been an advocate of “file and use,” strongly opposing [legislatio](#)
[n](#) that would require the health insurance corporations to prove rate increases are justified. More vigorous rate review has reduced premiums in other states.

The Wisconsin Insurance Commissioner put [unnecessary and burdensome](#) restrictions on health insurance navigators not required by federal law, of the kind that were thrown out by a [federal court in Missouri](#)

. This likely raised premiums by reducing enrollment in ACA marketplace plans.

It is deeply troubling that conservative politicians like Senator Johnson see the continued efforts of the big health insurance corporations to deny coverage to people with health conditions as an opportunity to undermine health reform. Now that big insurance is working actively to sabotage a system designed to guarantee them customers, it is long overdue that we return to the idea of robust public option. A public option would hold big health insurance accountable by giving health consumers a choice and taking away their leverage to abandon whole parts of the country just to jack up their already swelling profit margins.

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