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Will not undo damage from years of sabotage says non-partisan healthcare group. Opening BadgerCare as a public option, and other reforms, are needed to make coverage affordable.

STATEWIDE - Citizen Action of Wisconsin released its preliminary response on Monday to the health care proposals Governor Scott Walker will unveil Wednesday in his State of the State Address.

Walker's sudden interest in addressing the health insurance affordability crisis will not undo the damage his 7 years of sabotage has done, let alone make coverage affordable for most Wisconsinites. In addition, Walker's proposal on pre-existing condition exclusions would still leave many vulnerable to life-threatening insurance discrimination.

While Walker's admission that state government has a role to play in making health care

affordable is a small step forward, his proposed policies pale in comparison to the scale of the problem and do not make up for the damage done by his ongoing efforts to undermine the Affordable Care Act (ACA). According to research released by Citizen Action of Wisconsin, premiums and deductibles have increased by a combined 209% in Wisconsin since 2000, and far more in some regions.

The centerpiece of Walker's proposal, which will be unveiled in his State of the State Address on Wednesday, is a reinsurance plan which pays public money to health insurance companies for high-cost patients. Walker's plan to give more public subsidies to insurance companies impacts very few Wisconsinites who are struggling to afford health coverage, and would result in only a moderate impact on affordability.

Reinsurance will not reduce the premiums of 83% of the Wisconsinites who buy health coverage through the ACA marketplace and receive tax subsidies. It will not effect deductibles or copays and will not help small businesses. Although it will modestly help the 17% of enrollees who make too much money to be eligible to federal tax credits, it will according to national research lower premiums only by an average of 4%.
According to Citizen Action Wisconsin research , premiums increased by over 50% statewide from 2017-2018 and by even more in some areas of the state.

There are a number of far more effective policy changes that would make health coverage much more affordable if we deployed the full power of state government.

1.

Opening BadgerCare to everyone in Wisconsin as a public option would, at no cost to the state, reduce premiums and deductibles by an average of 24% . It would also help people who buy insurance on their own and small businesses, most of whom cannot afford to provide coverage to their employees.

2.

Reversing Walker's decision to turn down the Medicaid expansion money in the ACA could reduce premiums by about 7% .

3.

Reversing the Walker Administration's decision to allow the sale of substandard plans in Wisconsin could reduce premiums by as much as 10% .

Walker's new interest in protecting people with pre-existing conditions from discrimination by insurance companies is grossly inadequate. His proposal would allow insurance companies to trample upon the rights of anyone who's had a gap in coverage, and does next to nothing to prevent people with serious health conditions from being priced out of coverage.

Walker's sudden reversal does not go nearly far enough to the reverse the damage he has done through his ceaseless efforts to undermine the Affordable Care Act. As Citizen Action of Wisconsin has continuously documented, the Walker Administration has sought to sabotage the ACA by encouraging healthy people to buy substandard policies outside of the market , refusing to enact robust rate review
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turning down Medicaid expansion
, hamstringing health care navigators, rubber stamping health insurance industry mega mergers, and seeking waivers that would allow insurance companies to take larger profits. Taken together the Walker Administration has
aided and abetted the ongoing effort of the national for-profit insurance companies
to continue to insure healthy people and find ways to avoid covering people with pre-existing health conditions.

"It is amazing that the best Walker can come up with to address skyrocketing health care costs is more public subsidies for insurance companies. Walker's refusal to use the power of state government to guarantee affordable health care makes it impossible for him to meaningfully address the affordability crisis," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "Insurance and pharmaceutical corporations are not in the business of securing affordable health care; they are driven by profit imperatives dictated by Wall Street. That's why insurance companies will deny coverage to sick people and pharmaceutical corporations will price gouge if we let them. It is a simple truth that only "we the people," through the agency of our own democratic government, can guarantee health care to everyone in Wisconsin."