

News from the

**U.S. Senate Committee on
Health, Education, Labor and Pensions**

Michael B. Enzi (Wyoming), Chairman



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***LANDMARK AGREEMENT REACHED ON HEALTH INSURANCE
MARKET REFORM BILL, ENZI SAYS; MARK-UP SCHEDULED***

Washington, D.C. - U.S. Senator Mike Enzi (R-WY), Chairman of the Senate Health, Education, Labor and Pensions Committee (HELP Committee), today announced a landmark agreement between key stakeholders on a broad-ranging health insurance bill to provide more affordable health insurance options to America's small businesses and working families - and confirmed that the Committee will markup up the bill next week.

“Working with a diverse group of Senators and business groups representing small business, we’ve bridged the gap between small business proponents of traditional AHPs and state-based interests worried about the prospects of dramatic regulatory changes in health insurance markets,” Enzi said Thursday. The bill is cosponsored by Senator Ben Nelson (D-NE) and Senator Conrad Burns (R-MT). Enzi has scheduled a mark-up of the bill on Wednesday, March 8th at 10 a.m. in the HELP Committee.

Senator Nelson said: “If we don’t do something to help small businesses cope with the costs of health care, soon we will have an entire workforce without health insurance coverage. Health care premiums are experiencing double-digit growth annually; small businesses can’t keep up with the costs. As a result, fewer employers are

offering health coverage and fewer employees are covered. The continuing problem of skyrocketing health care costs is a grave threat to our working families. I am pleased to be working with the Chairman to finding a workable solution to this problem.”

Senator Burns said: “The Health Insurance Marketplace Modernization and Affordability Act represents the best opportunity to bring affordable health insurance to small businesses in Montana and across the nation. I know this is a goal for all Senators, and I look forward to working with members from both sides of the aisle in achieving this important goal.”

The bill, “The Health Insurance Marketplace Modernization and Affordability Act,” (S.1955) will allow business and trade associations to band their members together and offer group health coverage on a national or statewide basis in direct response to runaway costs that are driving far too many employers and families from comprehensive health insurance. Since 2000, for example, group premiums for family coverage have grown nearly 60 percent, compared to an underlying inflation rate of 9.7 percent over the same period.

Designed to enhance the market leverage of small groups as well as individual policy holders, “The Health Insurance Marketplace Modernization and Affordability Act” will: give associations a meaningful role on a level playing field with other group health plans; streamline the current hodgepodge of varying state regulation; preserve the primary role of the states in health insurance oversight and consumer protection; make lower-cost health plan options available; and achieve meaningful reform without a big price tag.

“We are nearing almost five years of double-digit growth in health insurance premiums – increases that have repeatedly exceeded more than five times the rate of inflation,” Enzi said. “This inflationary spiral is lowering the quality of life for countless families and hurting our economy. But those hardest hit are America’s small businesses and families outside of employer-provided insurance. Never before has there been a more urgent need to encourage market reforms like those proposed in this bill.”

It responds to pleas from small business trade groups to be allowed to pool their members and provide group health insurance, called Small Business Health Plans (SBHPs) under the Enzi bill, but will also include safeguards to protect against adverse effects that could result if new group plans were given a blanket exemption from consumer protections available under state laws and regulations.

Enzi praised the support of Senator Nelson and Senator Burns, the bill’s cosponsors, saying: “I’m pleased to be joined by my colleagues, Senator Nelson and Senator Burns. They bring invaluable experience to this effort and I am grateful for their commitment to this issue.”

He also praised the cooperation of Senator Olympia J. Snowe (R-ME), Chair of the Senate Committee on Small Business, and Senator Jim Talent (R-MO), who have been working for years to give more affordable health insurance options to America's small businesses. "I want to thank them for their constant efforts," Enzi added. "We owe them thanks for never losing sight of that important goal."

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