



Basic Needs

Testimony on HB 390 before the Senate Insurance Committee

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Good morning, Chairman Brinkman, Ranking Member Boggs and members of the committee. My name is Wendy Patton and I am a senior project director of Policy Matters Ohio, a nonprofit, nonpartisan research organization with the mission of creating a more prosperous, equitable, sustainable and inclusive Ohio. Thank you for the opportunity to testify.

We support House Bill 390, which would codify for Ohioans the health care insurance [protections](#) of the Affordable Care Act.

The Affordable Care Act (ACA) [helped](#) people whose jobs did not give them health insurance to get adequate and affordable coverage. Insurance was not well-regulated, and sometimes people paid for plans that didn't cover all of their needs. Some faced discrimination in pricing. Women were charged more than men. Old people were charged far more than young people. Those with pre-existing conditions, such as asthma or cancer, could be charged so much they could not get any insurance at all.

Before the ACA, more than [4 million](#) Ohioans had a lifetime limit on their insurance policy, meaning that the insurer capped benefits over the course of the person's life. The ACA prohibits both lifetime and annual caps.

In 2009, more than [5 million](#) Ohioans had a pre-existing condition that, prior to the ACA, would have meant insurers in the individual market could deny them a plan or quote them exorbitant premium rates. The ACA prohibited these practices.

The ACA [ensures](#) people with pre-existing conditions can get coverage, that prices are not discriminatory and that consumers are protected from inadequate plans.

The federal government is announcing new rules and demonstration programs that threaten these nationwide protections. Insurers could offer skimpier plans and discriminate in pricing. Individual plans could be cheaper for some but more expensive for others, including people who are elderly, disabled, or have pre-existing conditions, and for women of childbearing age. Over the past two years, new, changed or proposed rules that threaten the protections of the ACA include:

- September 30, 2019 - The Trump Administration announced a demonstration program that allow insurers to vary premiums and cost sharing by as much as 30 percent based on whether enrollees meet designated health outcomes – effectively [a return](#) to charging sick people more than healthy people.
- May 24, 2019 - The federal government [proposes](#) rolling back Section 1557 of the Affordable Care Act, which prohibits health programs and facilities that receive federal funds from discriminating based on race, color, national origin, age, disability, or sex. Among those sending [comments on the proposed rule](#): the country’s largest physician group, the American Medical Association (AMA), as well as a coalition of 22 state attorneys general.
- March 25, 2019 - The federal Department of Justice (DOJ) asked the U.S. Court of Appeals for the Fifth Circuit to [invalidate](#) the entire Affordable Care Act (ACA).
- October 22, 2018 - The federal government released [new guidance](#) that modified how states may implement key elements of the ACA, allowing them to [curb protections](#) and raise out-of-pocket costs for people with high-cost health needs.
- October 2, 2018 - New [federal rules](#) allowed short-term plans exempt from the ACA’s pre-existing condition protections and benefit standards to mimic ACA protected insurance plans, allowing them last for up to one year, compared to three months under prior rules, and to be renewable.

In the face of changes that threaten the consumer protections of the Affordable Care Act, Ohio lawmakers should step in to preserve such protections, for the health and financial security of Ohioans. We support House Bill 390, which would do this.

Thank you for this opportunity to testify. I will be glad to take questions.