



Protect Our Care Illinois Proposes “Health Coverage and Consumer Protection Commission” and 2019 Marketplace Stabilization Agenda

Protect Our Care IL (POCIL) believes that all Illinoisans should have the affordable, high quality, and equitable health care they need to live healthy lives and contribute to the health of their communities. Unfortunately, Illinois experienced a reduction in 2019 enrollment into the Affordable Care Act (ACA) Marketplace while at the same time, an increase in the number of uninsured children (the first time since 2008) and an uptick in the overall percentage of uninsured. Since 2016, the Trump Administration has cut the advertising and outreach funds used to engage community members about the ACA by 85%. As a result, less than one-quarter of the public was aware of the December 15th enrollment deadline and the number of new enrollees dropped significantly.

The most recent partisan attack, the misguided *Texas v. Azar* district court case where the judge struck down the ACA, marks a devastating blow to the health security of ALL Illinoisans. If the ruling is upheld by a higher court, millions of Illinoisans will suffer. Over 1 million people could lose their health care coverage and over 5 million people living with pre-existing conditions like cancer, asthma or diabetes could face exorbitantly high rates, or be denied coverage all together.

These are unacceptable and disturbing trends. In addition, despite improvements to healthcare through the ACA, many Illinoisans who use private insurance still face high out-of-pocket costs. Premiums and deductibles remain too high, while the Trump Administration’s continued attacks on the ACA are further exacerbating the problem while also threatening to remove key consumer protections that had become established norms by the ACA.

It is clear that Illinois cannot depend on the federal government to make improvements and address these problems in the next few years. Other states have taken successful steps to lower individual-market premiums, protect essential health benefits, bring in more consumers into comprehensive coverage, and cut health insurance costs. **Illinois should follow their lead by pursuing market stabilization policies to combat the dangerous policies at the federal level.**

In 2019 Illinois is at a crossroads – and the new Pritzker administration is well-poised to address some of these problems. Due to the complexity of these issues, we recommend that Governor Pritzker establish a **“Health Coverage and Consumer Protection Commission”** in the first 100 days of his administration to research how best to attack these problems at a state level. **We have also provided the following recommendations for a Marketplace Stabilization Agenda for Illinois to pursue in the years ahead.**

January 11, 2019



Proposed Marketplace Stabilization Policy Agenda

Problem 1: Risk pool segmentation: Due to the Trump Administration’s new regulations, healthy people are leaving the ACA Marketplace for other kinds of “skinny” coverage (e.g. short-term plans, Association Health Plans). This undermines the ACA Marketplace and causes a shadow marketplace with skimpier plans and protections.

Potential Policy Solutions in Illinois:

- ✓ Implement the new Short-Term Limited Duration Health Insurance Coverage Act ([SB 1737/ PA 100-1118](#)) to begin to regulate junk plans in IL and to educate consumers about them.
- ✓ Regulate Association Health Plans and Health Care Sharing Ministries.
- ✓ Invest state funds in community-based navigators to conduct outreach, public education and enrollment assistance about the availability of comprehensive and affordable plans offered through the Marketplace and Medicaid.

Problem 2: Affordability Rising health care costs, especially health insurance premiums, continue to be a concern for consumers.

Potential Policy Solutions in Illinois:

- ✓ Consider a Reinsurance program in Illinois: Research and state experience shows reinsurance brings down premiums for consumers.
- ✓ Explore an Individual Mandate: A state-based individual mandate would bring more people into the Marketplace by requiring that people who can afford coverage will obtain coverage.
- ✓ Explore a Medicaid Buy-In program to bring down consumer costs and move towards a system of universal healthcare: Allowing higher income Illinoisans to enroll in Medicaid through a buy-in program provides opportunity to control insurance costs, stabilize health insurance markets and provide consumers with more coverage options. This should be done with careful consideration of how a Medicaid Buy-In program would impact the current Medicaid program, including access to healthcare for those currently eligible for the Illinois Medicaid program.

Problem 3: Illinois consumers with pre-existing conditions are vulnerable to federal sabotage of consumer protections. The Federal Government is allowing enormous “state flexibility” on the consumer protections provided by the ACA. Illinois has an opportunity to strengthen its own state laws on key ACA protections.



Potential Policy Solutions in Illinois:

- ✓ While Illinois has a law that protects people with pre-existing conditions, we do NOT have community rating (which prevents health insurers from varying premiums within a geographic area based on age, gender, health status or other factors) or guaranteed issue (a requirement that health plans must permit you to enroll regardless of health status, age, gender, or other factors). Right now, those are protected under the federal ACA; however, we should explore how to strengthen those guardrails for Illinois consumers.
- ✓ The ACA mandates that plans sold on the Marketplace must include Essential Health Benefits (EHB)- a set of 10 categories of services. If anything were to change at the federal level, we do not have protections in place in Illinois to preserve EHBs. We should consider codifying them in Illinois state statute.
- ✓ The medical loss ratio (MLR) is the percent of the premium dollar that health insurers spend on medical care and quality improvement activities as opposed to overhead costs. Illinois should establish its own minimum MLR, which is no less than the current MLR under the ACA of 80% for individual and small group plans and 85% for large group plans, ensuring that more money is spent on care and less on insurance company profits and overhead.

Protect Our Care Illinois has conducted research on these topics and stands at the ready to help move these ideas forward. We look forward to working with the Pritzker Administration in any way we can to propel Illinois towards more affordable, high quality, and equitable health care. To schedule a meeting or request more information, please contact Protect Our Care Illinois's Coalition Manager Graciela Guzman at ggguzman@heartlandalliance.org (773) 270-2611 or the Sargent Shriver National Center on Poverty Law's Associate Director for Healthcare Justice Stephani Becker at stephanibecker@povertylaw.org, (312) 789-4482 or EverThrive IL's Policy Analyst Kelsie Landers, KLanders@everthriveil.org (312) 491-8161.