

Citizen Action of Wisconsin: State Legislature rushing through dangerous health insurance plan

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CONTACT: Robert Kraig, (414) 322-5324, robert.kraig@citizenactionwi.org
Kevin Kane, (414) 550 8280, kevin.kane@citizenactionwi.org

Statewide: In yet another attempt to take healthcare away from Wisconsinites, conservatives are trying to quickly pass a bill (AB-920/SB-806) to allow the sale of substandard health plans to small employers which do not cover essential benefits and can charge discriminatory rates based on the health conditions of their employees. Because small employers could buy these new “health benefit arrangements” known as “association plans,” many employees who have good coverage now could be forced into dangerous substandard plans. Because such plans would siphon off employers with healthier workers, rates on traditional insurance could skyrocket for people with health conditions both in the association plans and the small group insurance market generally, in effect re-legalizing a major aspect of pre-existing condition discrimination.

The BadgerCare Public Option bill (AB 449/SB 363) is a far better solution, lowering costs for high quality coverage. The BadgerCare Public Option, which small businesses could buy into, would cost lower premiums and deductible by an average of \$1,708.11 for small employers, according to [Citizen Action of Wisconsin's Annual Cost Ranking Report](#).

Rep. Zimmerman and Sen. Duey Stroebel, the bill's senate sponsor, claim they are trying to lower healthcare prices, but that claim does not hold up. For Wisconsinites who work for small businesses, costs would go up because fewer medical costs would be covered. Many would face bankruptcy when their family faced a health

condition that was not covered or where the coverage is skimpy. For sicker people, premiums could skyrocket because small businesses with more employees with health conditions would be charged discriminatory rates. This would give small employers a perverse incentive to pinch people with pre-existing conditions onto their spouses' plans or onto the individual marketplace.

"This bill does nothing to lower healthcare prices. It simply shifts the costs to the employees, their families, and the public. If Rep. Zimmerman and Sen. Stroebel really wanted to lower prices, they would pass the BadgerCare Public Option. Instead they are digging their heels in and not doing what's best for Wisconsinites," says Jane Maley, a retired registered nurse in Sen. Stroebel's district who is a member of Citizen Action's Health Care for All Organizing Co-op.

"Legalizing dangerous health plans which leave out vital medical services and discriminate based on health conditions is a step backwards," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "Conservative politicians refuse to understand that you can't guarantee quality affordable health coverage unless everyone is included. We can't return to the failed and unethical policies of the past. The BadgerCare Public Option bill shows that the best way to lower costs is to use the full leverage of state government to guarantee high quality coverage options to everyone in Wisconsin."

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