

Citizen Action of Wisconsin: Walker plan does not make up for cost of sabotage

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Statewide: Governor Scott Walker is touting the approval by the Trump Administration of his complicated health insurance scheme that does not even begin to make up for the cost of ongoing efforts to sabotage the Affordable Care Act (ACA).

Walker's complicated scheme called "reinsurance" funnels \$200 million in direct public subsidies to insurance companies in the hope that they would lower premiums for some consumers. The proposal does not require that health insurance companies pass on any savings to consumers, and even if they did it would only impact a small percentage of Wisconsinites.

Reinsurance will not help anyone who gets insurance at work or small businesses or most people who buy insurance on their own. Although Governor Walker claims it is focused on people who buy insurance on their own, it will not impact 83% of the Wisconsinites who buy health coverage through the ACA marketplace and receive tax subsidies. Reinsurance will not effect deductibles or copays. It will only modestly help the 17% of enrollees who make too much money to be eligible to federal tax credits

Walker's press release touts a 3.5% reduction in premiums for some Wisconsinites who buy insurance on the ACA marketplace, a much lower number then what was

claimed when the proposal was introduced. But according to the Urban Institute just two of Donald Trump's acts of sabotage, refusal to enforce the individual mandate and the extension of short term "lemon" health plans will increase premiums by 18.2%.

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.

Opening BadgerCare to everyone in Wisconsin as a public option would reduce premiums and deductibles by an average of 38%. 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.

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

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

In addition, although Walker has decided to tout what he is doing to stabilize the ACA, he approved the filing of a lawsuit by the Wisconsin Attorney General that would strike down the law, taking health care away to nearly 200,000 Wisconsinites.

"Scott Walker now finds it politically convenient in an election year to pretend to care about health care costs, but 7 years of sabotage of the ACA reveals that he has been more than willing to play politics with the lives of Wisconsinites who do not have good coverage at work," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "More corporate subsidies are not the answer. 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."

Link to news release

https://www.citizenactionwi.org/walker_plan_does_not_make_up_for_cost_of_sabota ge