

ABC For Health: Assembly Health Committee drops the ball on pre-existing conditions

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Interview: Bobby Peterson: (608)261-6939 ext. 201

Assembly Health Committee Drops the Ball on Preexisting Conditions

Madison, WI- This week, the Wisconsin Assembly's Health Committee intends to vote on whether to advance AB1, a bill that "protects consumers with preexisting conditions" effective only if the past Administration's suit to abolish the Affordable Care Act (ACA) succeeds. "The bill is just window-dressing and no substitute for the ACA," says Bobby Peterson, Public Interest Attorney at ABC for Health.

As proposed, the bill requires that individual and group health plans accept applicants, regardless of preexisting condition. "But the Assembly bill is a fumbling attempt at lawmaking," say Peterson. Here's why:

1. **Exorbitant Cost.** If the ACA fails, so does Wisconsin's recently passed reinsurance program. Advance premium tax credits would disappear, as would cost sharing reductions. Peterson says, "Absent the important pieces of the ACA, we can expect more healthy, wealthy, and young individuals to drop coverage altogether. That leaves individuals with preexisting conditions as the primary consumers of health coverage, increasing coverage costs and uncompensated care costs."

2. **Increased Rates of Uninsured.** Those priced out of insurance would lose coverage, but so would frequent users of insurance. The ACA eliminated the discriminatory practice of putting annual caps and lifetime limits on insurance use. If the ACA fails, annual and lifetime limits return. Peterson says, "Uncompensated care is already back on the rise in Wisconsin, up over \$1.3 billion in 2017! We all pay for that as

medical debt is socialized and redistributed in the form of higher health care costs.”

3. What Coverage?! Without the ACA, essential health benefits disappear as does the mandate to provide major medical coverage. Even “fully insured” patients could find their insurance doesn’t cover their medical needs, like maternity or prescription drugs. In fact, Peterson says, “patients would now pay for preventive screenings & immunizations, services that were free under the ACA.”

4. Discrimination Returns. Without the ACA, the wealthy and healthy are the only populations that could access routine, comprehensive health care. But also consider the people excluded from coverage. The ACA included important anti-discrimination language that prohibited discrimination on the basis of race, color, national origin, sex, age, or disability, language championed by advocates for transgender patients, immigrant patients, and those with disabilities. And of course, the state law would not extend to over 50% of the people in Wisconsin that have federally-regulated ERISA self-funded health plans.

Peterson concludes, “State law cannot provide the consumer protections that the ACA now provides-period! The Legislature should stop the deception of ‘fixing preexisting conditions in Wisconsin.’ Instead of this legislative charade, we should support efforts to fix the glitches in the ACA and continue our efforts to extend health care coverage to everyone.”