



# MIKE ENZI

## U.S. Senator - Wyoming

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For release: Nov. 3, 2005

## Enzi authors small business health insurance bill

Washington, D.C. – U.S. Senator Mike Enzi, R-Wyo., Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee introduced a bill this week he said would help small businesses and their employees increase access to affordable health insurance plans.

“The Health Insurance Marketplace Modernization and Affordability Act of 2005,” is designed to lower health insurance costs by stimulating market reforms and promoting competition while allowing trade associations the ability to offer group insurance plans for employees.

Enzi’s bill, S. 1955, would allow business and trade association to band their members together and offer group health coverage on a national or statewide basis. The group plans would be in direct response to runaway costs that are driving many employers and families from comprehensive health insurance. Since 2000, group premiums for family coverage have grown nearly 60 percent.

“We are nearing almost five years of double-digit growth in health insurance premiums - increases that have repeatedly exceeded more than five times the rate of inflation,” said Enzi, a former small business owner. “This inflationary spiral is lowering the quality of life for countless families and hurting our economy. But those hardest hit are America’s small businesses and their hard working employees and families. Never before has there been a more urgent need to encourage market reforms like those proposed in this bill.”

The bill is designed to enhance the market leverage of small groups as well as individuals by giving associations a meaningful role on a level playing field with other group health plans; streamlining the current hodgepodge of varying state regulations; preserving the primary role of the states in health insurance oversight and consumer protection; making lower-cost health plan options available; and achieving meaningful reform without a big price tag, Enzi said.

According to Enzi the legislation will benefit families struggling to keep their current insurance as well as those already priced out of their plans. The bill is the result of more than a year of negotiations and responds to pleas from the small business community to be allowed to pool their members and provide group health insurance, called Small Business Health Plans (SBHPs). Enzi’s bill will also include safeguards to protect against adverse effects that could result if new group plans were given a blanket exemption from state-based oversight and enforcement.

Enzi held a hearing in April to gather information that would help small businesses combat growth in health insurance costs and dwindling access to health coverage. Jackson businessman, Mitchell Blake of Blake Ward Architects traveled to Washington to testify before the committee at the invitation of Enzi. Many of the ideas and solutions

brought forward during the hearing were incorporated into Enzi's bill. Senators Ben Nelson, D-Neb., and Conrad Burns, R-Mont., co-sponsored S. 1955.

## **Highlights: "Health Insurance Marketplace Modernization & Affordability Act"**

### **Small Business Health Plans established under the Enzi bill:**

- Will resemble the fully insured-component of the AHP bill S. 406, "The Small Business Fairness Act;"
- Will permit business and trade associations to pool their members independently but will not allow them to establish self-insured plans;
- Will require SBHPs to include any benefits already required by at least 45 states as part of their plans, but also will allow those SBHPs to opt out of other mandated benefits that are not required by at least 45 states.

### **Rules that will govern SBHPs established under the Enzi bill:**

- Must obtain federal certification;
- Must be governed by a board of trustees with complete fiscal control;
- Must be established for more than three years for purposes other than pooling health care coverage;
- Must not condition association membership or coverage on health status.

### **Modernization: Promoting uniform state insurance regulations under the Enzi bill:**

- Sets up a process to promote greater uniformity in the current costly and competition-inhibiting hodgepodge of varying state health insurance regulations;
- Sets up a harmonization commission under the Department of Health and Human Services to develop uniform standards for insurance regulation such as rating and underwriting, consumer protections, market conduct and plan oversight standards

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[Click here to view Enzi's statement on the bill.](#)

[Click here to view a summary of the bill.](#)