



HEALTHY MARKET VA COALITION THANKS NORTHAM FOR VETOING HARMFUL HEALTHCARE PROPOSALS

The Governor's vetoes protect Virginians with pre-existing conditions and ensure they have access to quality healthcare options.

FOR IMMEDIATE RELEASE

May 20, 2020

Media Contact: Garrett Johnson, AHA Communications Director | Garrett.Johnson@Heart.org | 202- 368-6833

Summary:

- Gov. Northam has vetoed 3 risky health insurance bills which would have allowed new types of health insurance plans to come to Virginia's state-regulated health insurance market: SB 861, SB 235, and HB 795.
- These loosely-regulated plans could exclude certain groups of people based on their occupation, geographic location, or in some cases, even their age and gender.
- These vetoes protect people with pre-existing conditions, older Virginians, and small businesses who seek to offer comprehensive and affordable coverage to their employees.

Vetoed: Harmful Healthcare Proposals:

All Virginians, especially those with pre-existing conditions, need quality health insurance and the Healthy Market VA Coalition applauds Governor Ralph Northam for vetoing SB 861, SB 235, and HB 795, bills which would have created several different types of Association Health Plans (AHPs). Expanding the availability of these plans in Virginia could lead to instability in the individual and small group markets by enticing healthier consumers away from the larger marketplace risk pool. If healthier consumers select AHPs, the effect will likely involve premium hikes for those who need comprehensive coverage. These premium increases will hurt Virginians with pre-existing conditions, older Virginians, and small business owners who want to provide comprehensive coverage to their employees the hardest.

AHPs are particularly harmful to small businesses and their employees because they can effectively cherry pick their enrollees. These plans may, for example, set higher rates for small groups and businesses whose workers are likely to have preexisting conditions or who are sicker, older, or otherwise at-risk. They could even set higher rates or not offer coverage based on where workers live.

“I am grateful to Governor Northam for vetoing these dangerous Association Health Plan bills – Virginians, especially those with pre-existing conditions are more vulnerable than ever as a result of the COVID-19 pandemic and this is not the time to destabilize the insurance market. The premium increases resulting from AHPs could hurt Virginians with pre-existing conditions as their lives quite literally depend on access to comprehensive coverage,” said Chelsi Bennett, Co-Lead, Healthy Market VA Coalition & American Heart Association Virginia Government Relations Director.

Federal regulations related to AHPs are currently subject to a challenge in court. Virginia is part of a lawsuit brought by eleven states and the District of Columbia, seeking to block the Trump Administration’s proposed rule which two of these vetoed bills – SB 235 and HB 795 - rely on. This lawsuit is still pending.

About The Healthy Market VA Coalition

The Healthy Market VA Coalition represent hundreds of thousands of Virginians, including those with serious health conditions, small business owners, and older adults. We have a unique perspective on what it takes to prevent disease, cure illness, and manage and improve health over a lifetime. Our organizations are united around a set of guiding principles that we believe are necessary to maintain Virginians’ access to affordable, high-quality healthcare coverage: Accessibility, Affordability, and Adequacy. These principles guide the work we do and shape the policies that we champion in an effort to strengthen Virginia’s health insurance marketplace.

For more information, please contact:

Chelsi Bennett, AHA Government Relations Director at chelsi.bennett@heart.org or 904-304-1345

Sarah Balog, LLS Regional Director of Government Affairs at sarah.balog@lls.org or 678-852-6383