

## FOR IMMEDIATE RELEASE

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## NCOIL TO FEDS: RECOGNIZE—DON'T RESTRICT—STATE HEALTH REFORMS

**Washington, DC, May 27, 2009** — In a missive today to Congressional Committees exploring health insurance reform, officers of the National Conference of Insurance Legislators (NCOIL)—an organization of legislators devoted to sound insurance public policy—recommended that Congress recognize state successes and not hinder state efforts to better protect consumers and regulate their unique markets.

NCOIL officers wrote chairs of the U.S. Senate Finance and Health, Education, Labor & Pensions Committees, and those of the House Education & Labor, Ways & Means, and Energy & Commerce Committees that while NCOIL “recognize[s] expanding access and increasing affordability are increasingly important goals,” Congress should acknowledge “the strength and accomplishments of the states and . . . preserve the protections that they have put in place.”

Along with NCOIL President Sen. James Seward (NY), NCOIL Officers—President-Elect Rep. Robert Damron (KY), Vice President Rep. George Keiser (ND), Secretary Sen. Carroll Leavell (NM), and Treasurer Sen. Vi Simpson (IN)—said that “For the past 150 years, states have successfully developed systems” that promote flexibility to regulate unique state markets, maintain strong consumer protections, and encourage innovative reforms.

The May 27 letter asserted: “States are best-suited to respond to the specific needs of their individual markets—markets which vary in local and regional aspects, approaches to health insurance coverage, delivery systems, and types of services offered.” It cautioned: “A detached federal regulator would be hard-pressed to respond as quickly and appropriately as state officials.”

NCOIL Officers stressed that states have cornered the market on consumer protection, writing:

States actively defend consumers by overseeing market conduct, fraud prevention, strong solvency regulation, and strict standards for health plans, such as benefit requirements and grievance procedures, among many other patient protections. States need to be able to maintain their strong role in assuring consumer protections. Any federal system that undermines these safeguards would be detrimental to the very population it seeks to help.

The communication to Chairmen Max Baucus (D-MT), Edward Kennedy (D-MA), George Miller (D-CA), Charles Rangel (D-NY) and Henry Waxman (D-CA) stressed that states are “laboratories of democracy” and have most recently initiated significant reforms in Massachusetts, New York, Tennessee, Utah, and Vermont. It noted that all states have introduced and enacted targeted measures, such as “expanded coverage, insurance market and small business reforms, tax credits and subsidies, and advanced information technology.”

Finally, the letter cautioned that “Congress must carefully consider how federal reforms negatively impact state protection of policyholders” and asked that “Congress also review existing federal measures that already obstruct states’ abilities to enact broad reform.”

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at [www.ncoil.org](http://www.ncoil.org).

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