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## **FOR IMMEDIATE RELEASE**

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## **NCOIL LEGISLATORS ENCOURAGED BY ENZI BILL DEFEAT**

**Troy, New York, May 12, 2006** – Legislators of the National Conference of Insurance Legislators (NCOIL) were encouraged last night when S. 1955, the *Health Insurance Marketplace Modernization and Affordability Act*, was defeated in the Senate during a key procedural motion. In need of 60 votes to invoke cloture and end further debate, supporters of the bill, sponsored by Senator Michael Enzi (R-WY) fell short in a 55 to 43 vote.

NCOIL Vice President Senator Alan Sanborn (MI) said, “We are heartened to see that the Senate defeated S. 1955. While the Enzi legislation was well intentioned, it would have preempted carefully crafted state laws that provide critical consumer protections and mandated benefits. NCOIL does not believe that S. 1955 would have effectively addressed the growing issue of our nation’s uninsured.”

NCOIL expressed these sentiments in a March 14 letter to Senators Enzi and Ben Nelson (D-NE) that opposed S. 1955, and later wrote to the National Association of Attorneys General (NAAG) to support their letter, also critical of the bill. NCOIL members also communicated dissatisfaction with the legislation to their respective U.S. Senators and Insurance Commissioners.

According to a recent Congressional Budget Office (CBO) letter to Senator Edward Kennedy (D-MA)—an outspoken opponent of the legislation—under S. 1955 “average premiums would increase among groups who have relatively high expected health care costs...leading some of the people in those groups to drop coverage.”

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In addition to cherry picking of younger, healthier groups at the expense of the older and sicker, NCOIL legislators were concerned that the bill would increase the potential for fraud and would preempt important state rating systems.

Lawmakers were also troubled by the possible influx of mandate-free policies into the small employer health market, which would scale back critical coverages, including those for cancer, diabetes, and well-baby care. S. 1955 would let an insurer offer a policy with minimal benefits if it also provided access to comprehensive coverage equivalent to a plan offered to state employees in one of the five most populous states. That more comprehensive plan, however, could be significantly more expensive.

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

For further details, please contact the NCOIL National Office at 518-687-0178.

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