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Avoid rush on insurance cures

There's much to do, and the Legislature needs to wrap up reforms by year's end

Remember last year, when state legislators put important health insurance reforms off to the last minute, then had to stare down an eleventh-hour effort by Blue Cross Blue Shield of Michigan to ram sweeping changes through a lame-duck session?

Yeah. It wasn't pretty.

And wise counsel at the time -- including some from this newspaper -- cautioned that the same thing could happen again this year if the Legislature didn't start thinking seriously about insurance reform sooner.

The good news is that lawmakers are at least nominally closer than they were last year at this time to consummating a package of bills that would address insurance reform and some other health care issues in Michigan.

The bad news is that there's still a lot to do, and because the state's budget (still unresolved as lawmakers entered their Fourth of July hiatus) could consume much of the Legislature's time over the next few months, the prospect remains for rushed, end-of-year action on this important issue.

Leaders in both chambers of the Legislature need to make sure that doesn't happen.

So far, House and Senate committees have cobbled together bill packages to deal with Blue Cross' issues and more general health care concerns in Michigan. State Sen. Tom George, R-Kalamazoo, and Rep. Marc Corriveau, D-Northville, who chair their respective chambers' health policy committees, have had work groups convened around the issues since early this year.

Their bills offer a mix of solutions.

There's some relief for the Blues, which are being crushed by the growing number of Michiganders who are losing employer-supported health care and turning to the company for individual plans. As the insurer of last resort in Michigan, the Blues has to take all comers and ends up covering many more sick people -- with their higher costs for care -- than other carriers do.

Enhanced consumer protections also prevent sudden, drastic rate spikes from commercial carriers when people get sick. And the bills expand coverage for low-income residents. The sticking points between the House and Senate plans are mostly in the margins.

Expanding programs for low-income folks -- either through subsidies or assessments against insurance carriers -- is good policy on two fronts. It pulls people out of the ranks of the uninsured and gives Blue Cross some relief from its swelling ranks of high-risk customers.

Providing more general relief for the Blues (the company says it needs market parity with commercial carriers to survive) should be discussed, with an eye toward balancing the company's needs against those of the state's most vulnerable residents.

But foremost in the minds of legislative leaders must be addressing all these issues in the near term, rather than later.

If meaningful reform doesn't happen this year, it almost certainly won't get done in 2010, an election year. Beyond that, because of term limits, the Senate loses 30 of its 38 members, and a significant portion of the House turns over.

A whole new crop of lawmakers would need to be educated about this very complex issue.

Better to get things moving this year, and plow through to complete the work -- even before the budget is done, if the momentum is there.

No one wants to see a repeat of last year. And waiting much longer puts all hope for significant reform in real jeopardy.
