

## **The Consumer Health Insurance Protection Act – Senator Elizabeth Warren**

The Affordable Care Act put an end to some of the most egregious practices that insurance companies used to shift costs onto patients, including annual and lifetime coverage limits and discrimination against people with pre-existing conditions. But today, too many patients still have to battle with their insurance companies just to see a doctor or get a prescription filled. Insurance companies draw networks so narrow that patients struggle to find a doctor or get an appointment.<sup>1</sup> Patients find out when they get a bill in the mail that they unwittingly relied on an outdated provider directory and now owe hundreds of dollars in unexpected costs for out-of-network care.<sup>2</sup> Insurance companies can drop doctors from their network in the middle of the plan year with no notice, suddenly jack up out-of-pocket costs for a cancer or MS drug,<sup>3</sup> or rip up a plan at the end of the year and leave new mothers or patients dealing with a serious health condition scrambling to maintain access to their doctor.<sup>4</sup>

Also thanks to the Affordable Care Act, an historic number of Americans now have affordable health insurance coverage. But the more than 216 million individuals who rely on private insurance are facing rising out-of-pocket costs. Between 2005 and 2015, out-of-pocket costs for workers with employer coverage rose twice as fast as wages.<sup>5</sup> Today, three out of every ten American adults *with health insurance* say they're having a hard time paying their medical bills.<sup>6</sup> Meanwhile, thanks to revenue from taxpayer-funded programs, insurance company profits are booming. The top insurers in the U.S. pull in nearly 60% of their revenue – more than \$200 billion in 2016 – from Medicare and Medicaid, even as some of these same insurers claim they can't afford to participate in the ACA exchanges.<sup>7</sup>

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We must do more to hold insurance companies accountable by requiring them to providing coverage that is just as affordable and high-quality as coverage in public programs like Medicare and Medicaid. The *Consumer Health Insurance Protection Act* calls insurance companies' bluff by putting an end to abuses that hurt patients and by requiring insurers making money off Medicare and Medicaid to step up to the plate in the ACA markets. The Act's provisions include:

- Setting limits on insurance company profits to match those private insurers can earn in Medicare and Medicaid
- Instituting new protections to ensure all patients are notified when doctors are dropped from the network and are protected if they rely on an inaccurate provider directory or have a plan discontinued while in an active course of treatment
- Prohibiting surprise bills for emergency room care
- Requiring insurers generating revenues from Medicare Advantage or Medicaid managed care plans to offer coverage on the exchanges in areas with limited insurer competition.
- Guaranteeing that every individual on the ACA exchanges has access to a plan that covers 80% of out-of-pocket costs and costs no more than 8.5% of income in premiums.
- Protecting against unreasonable premium increases with stronger rate review standards
- Requiring the tracking and analysis of consumer complaint data
- Strengthening enrollment and outreach programs

**The *Consumer Health Insurance Protection Act* is endorsed by:  
Families USA, Consumers Union, Public Citizen and Community Catalyst.**

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- <sup>1</sup> Lena H. Sun, “How a Narrow Network Can Really Mess with Your Choice of Doctors,” *The Washington Post* (June 24, 2015) (online at: [https://www.washingtonpost.com/news/to-your-health/wp/2015/06/24/how-a-narrow-network-can-really-mess-with-your-choice-of-doctors/?utm\\_term=.a2d02bb0c63f](https://www.washingtonpost.com/news/to-your-health/wp/2015/06/24/how-a-narrow-network-can-really-mess-with-your-choice-of-doctors/?utm_term=.a2d02bb0c63f)). Bruce Japsen, “Employer Plans Join Obamacare in Narrowing Doctor Networks for 2018,” *Forbes* (August 27, 2017) (online at: <https://www.forbes.com/sites/brucejapsen/2017/08/27/employer-plans-join-obamacare-in-narrowing-doctor-networks-for-2018/#6c253b333de4>). Austin Frakt, “Savings? Yes. But Narrow Health Networks Also Show Troubling Signs,” *The New York Times* (October 17, 2016) (online at: <https://www.nytimes.com/2016/10/18/upshot/savings-yes-but-narrow-health-networks-also-show-troubling-signs.html>).
- <sup>2</sup> Jenna Temkin, “How Inaccurate Health Plan Provider Directories Block Access to Health Care,” *Families USA* (May 24, 2016) (online at: <http://familiesusa.org/blog/2016/05/how-inaccurate-health-plan-provider-directories-block-access-health-care>). Jay Hancock, “Insurers’ Flawed Directories Leave Patients Scrambling for In-Network Doctors,” *The New York Times* (December 3, 2016) (online at: <https://www.nytimes.com/2016/12/03/us/inaccurate-doctor-directories-insurance-enrollment.html>).
- <sup>3</sup> Michael Ollove, “New Rules Aim to Keep Patients on Medications That Work,” *Pew Charitable Trusts* (February 2, 2017) (online at: <http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2017/02/02/new-rules-aim-to-keep-patients-on-medications-that-work>).
- <sup>4</sup> Jay Hancock, “Churning, Confusion, and Disruption – The Dark Side of Marketplace Coverage,” *Kaiser Health News* (December 7, 2017) (online at: <https://khn.org/news/churning-confusion-and-disruption-the-dark-side-of-marketplace-coverage/>).
- <sup>5</sup> Kaiser Family Foundation, “Payments for Cost Sharing Increasing Rapidly over Time” (October 5, 2017) (online at: <https://www.kff.org/health-costs/issue-brief/payments-for-cost-sharing-increasing-rapidly-over-time/>).
- <sup>6</sup> Bianca DiJulio, Ashley Kirzinger, Bryan Wu, and Mollyann Brodie, “Data Note: Americans’ Challenges with Health Care Costs,” *Kaiser Family Foundation* (March 2, 2017) (online at: <https://www.kff.org/health-costs/poll-finding/data-note-americans-challenges-with-health-care-costs/>).
- <sup>7</sup> Cathy Schoen and Sara R. Collins, “The Big Five Insurers’ Membership and Revenue Trends: Implications for Public Policy,” *Health Affairs* (December 2017) (online at: <http://www.commonwealthfund.org/publications/in-the-literature/2017/dec/five-health-insurers-membership-and-revenue-trends>).