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Bentley sees some positives in federal health insurance act

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Gov. Robert Bentley said Friday that while he remains opposed to federal health care reform, he supports some of its provisions and believes it may have spurred states to take action they might not have otherwise taken.

The governor, speaking to reporters after addressing the Alabama Health Insurance Exchange Study Commission on Friday, said he was "against telling anyone they have to purchase insurance" and believes health insurance exchanges mandated under the act must "fit" Alabama.

However, Bentley said he did agree with provisions that would prevent insurers from denying coverage to those with pre-existing conditions. The governor also said he supported exchanges -- aimed at allowing people to compare and price health insurance plans -- long before President Barack Obama signed the Patient Protection and Affordable Care Act into law last year.

"Had we not had the Affordable Care Act, would it have pushed states to do some things they're doing?" Bentley said. "Probably not. But this idea I had for the health insurance exchange predated this."

The commission, created by executive order by Bentley last June, will study the state's options in setting up a health insurance exchange. Under the federal health care law, states have the option of creating their own health insurance exchanges, but must do so by Jan. 1, 2013.

After that date, the federal Department of Health and Human Services will assume the state wants the federal government to set up an exchange.

The act mandates individuals to obtain health insurance starting in 2014, but also provides for subsidies for low and middle-income households who may have difficulty affording it. The exchanges will be the source for both insurance and subsidies. Subsidies cut off at \$43,560 for individuals, and \$89,400 for a family of four.

About 14 percent of Alabamians -- about 675,000 people -- lacked health insurance in 2008 and 2009, according to the Kaiser Family Foundation. Another 16 percent -- 763,000 people -- received Medicaid, the federal health insurance program for low-income earners. Medicaid eligibility will be significantly expanded under the law.

The commission will report its conclusions to Bentley by Dec. 1. The state Legislature will have to approve the exchange.

"I consider this to be a unique opportunity to make Alabama a better state to live and work," said Rep. Jim McClendon, R-Springville, at the beginning of the 90-minute meeting Friday morning.

Determining the scope of the exchange will be up to the 14-member commission, which has significant representation from the health care and insurance industries. A single member represents consumers.

Jim Carnes, a spokesman with Alabama Arise who attended the meeting, said his group, which works on poverty issues, wanted to see "more of a consumer advocate voice" on the commission," but he was encouraged by what he heard.

"The chairman struck an encouraging note," Carnes said. "I'd echo his comment that this is an opportunity to make things better for Alabamians."

The commission Friday mainly heard background on the exchanges and the deadlines established under the federal health care act. Bob Carey, a consultant with Virginia-based LMI, told the commission that getting the word out about the exchanges would be important, and telling people "this is a different world. You have access to Medicaid, you have access to insurance."

McClendon agreed. "There's going to be marketing, certainly," he said. "We're not going to keep this light under a barrel."