

Iowa House of Representatives

State Representative

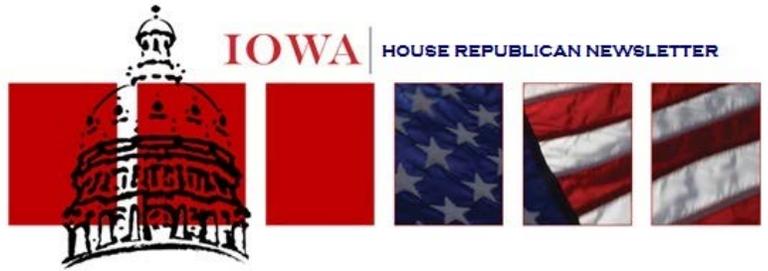
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Iowa House Passes Affordable Health Options for Iowans

In January, the Commerce committee heard from the Insurance Commissioner on the state of the individual health insurance market in the state of Iowa. There was and continues to be an immediate concern for 20,000 Iowans who have no health insurance because they are priced out of the individual health insurance (Obamacare) market. At the federal level, Congress has refused to take meaningful action to correct the ACA, which was poorly thought out and fundamentally changed the health insurance environment in the United States.

In February, the House Commerce committee took a first step to provide Iowans with some relief from unaffordable health care products on the individual market. The committee considered legislation which would provide the option of purchasing a health benefit plan. These plans would be sponsored and administered by Iowa based organizations. Health benefit plans act like insurance and are subject to oversight by the Insurance Commissioner. It is estimated that for individuals who do not qualify for a subsidy, these plans would be less than half the cost of plans available on the individual exchange.

Another proposal is based on proposed rule changes by the US Department of Labor (DoL). This legislation relates to the creation of Multiple Employer Welfare Arrangements (MEWAs). First, it removes the current time restrictions on creating a MEWA under current Iowa law and requires that the MEWA have membership stability as defined by rule. Second, the legislation requires the Commissioner of Insurance to promulgate rules to allow for the creation of association health plans that are consistent with DoL regulations in 29 C.F.R. part 2510.

There are currently proposed changes to the DoL rules that will allow more types of employers to group together and form associations for the purposes creating a larger risk pool for the purpose of obtaining health insurance. Some of

the changes in the proposed rules include allowing sole proprietors to be considered employer and only requiring that employers be located in the same state instead of requiring they work in a similar industry or trade. MEWAs offered in Iowa would be subject to the insurance regulations in the state and must comply with regulations and oversight from the insurance commissioner.

The Iowa House passed both these proposals this week. They provide Iowans, who are unable to afford health insurance, additional options to cover their healthcare needs. Washington DC has created a problem by passing a poorly thought out law that fundamentally changed the health insurance environment in the United States. To date Congress has not only refused to take responsibility, but has also rejected opportunities to take meaningful action to address the unaffordable individual health insurance environment they created. While Washington DC has refused to take action, they have also stood in the way of states trying to fix the problem themselves.

House Republicans have been proactively working to provide relief to Iowans suffering from unaffordable health insurance. These are two options available to individuals and small businesses owners who are unable to afford health insurance currently offered on the individual market. Iowans deserve access to high quality health care at an affordable price and Republicans will continue working to provide additional affordable options to Iowans.