



Insuring Workers in Small Businesses

On November 2, 2005, Senator Mike Enzi (R-WY) introduced legislation (S 1955) to help workers in small businesses obtain health insurance through arrangements similar to association health plans (AHPs). Under S 1955, business and trade associations would be able to pool their members to create small business health plans (SBHPs) that would be separate from other small group insurance businesses. The bill currently has two cosponsors, Senators Conrad Burns (R-MT) and Ben Nelson (D-NE).

Although the aims of AHP legislation and S 1955 are largely the same, there are key differences in their approaches. Unlike the ANA-opposed AHP legislation approved by the House in July (HR 525), the SBHPs created by S 1955 would not be allowed to “self fund” and would be subject to state oversight—two important improvements

that address concerns about solvency and regulation. (It should be noted that under the House bill, AHPs would be regulated federally by the Department of Labor rather than the states).

However, at the time of publication, one of the ANA’s core concerns about AHPs remains relevant to S 1955. The ANA opposes AHPs because they would preempt protections provided by state insurance laws and regulations. Under S 1955, SBHPs would be required to follow only those state-mandated benefits that have been enacted in 45 or more states. Only nine of the approximately 61 state coverage mandates actually meet the 45-state threshold.

S 1955 also includes two additional sections that would make sweeping changes in how the insurance market is regulated.

Title II of the bill, “Near-Term Market Relief,” changes how small group insurers set their rates and would allow individual, small-group,

or large-group insurers to ignore state-mandated benefits as long as they comply with any provision mandated in at least 45 states, as described above.

Title III, “Harmonization of Health Insurance Laws,” would create a commission to advise the Department of Health and Human Services (HHS) in the creation of “harmonized” access, rating, and patient protection rules that would reflect the regulatory approach of the largest number of states. These rules would apply across the entire insurance market.

S 1955 is complex legislation that is likely to continue evolving as concerned interests weigh in and as the bill is subject to committee hearings and mark-up. Senator Enzi is chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, which has authority over the bill and is expected to make it a priority. Committee action could take place early this year.

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ANA Endorses House Democratic Pandemic Flu Plan

The ANA has endorsed the Pandemic and Seasonal Flu Act of 2005, which was introduced in the House of Representatives on December 16, 2005. The ANA endorses this legislation because it contains a comprehensive, well-funded pandemic flu plan. It provides liability protections for those who manufacture, distribute, and administer flu countermeasures. It also protects those who receive these countermeasures and ensures vigorous vaccine education and surveillance.

While the ANA supports liability protections, it understands that these efforts alone do not constitute effective or comprehensive pandemic flu planning. Past broad-scale vaccination campaigns have demonstrated the need for robust education, prescreening, vaccine surveillance, and injury compensation. In 2003, the Bush administration called on 500,000 health care workers to be vaccinated against smallpox. Despite the ANA’s repeated objections the administration initiated this effort without establishing a meaningful prescreening or injury compensation program. Participation in the program declined rapidly after multiple reports of heart complications related to the vaccine. Ultimately, fewer than 40,000 civilians were vaccinated, and large stockpiles

of the vaccine were never used. Similarly, the swine flu vaccination program of 1976 failed after the vaccine was linked to Guillain-Barré syndrome.

Possible pandemic flu vaccines are being developed but have not been widely tested. In the case of a pandemic, it’s likely that nurses and other health care workers would serve as the primary test for these vaccines. Any pandemic flu preparation plan must include vigorous surveillance of the adverse effects of these new vaccines, comprehensive education, and a reliable and well-funded compensation program for those harmed by these new medications. The Pandemic and Seasonal Flu Act of 2005 contains these important provisions.

The ANA also supports the \$500 million in funding for state and local flu planning and preparedness activities contained in the act. State and local departments of health are already hamstrung by years of underfunding and would be hard pressed to handle the surge created by a flu pandemic.

The ANA is working to educate Congress about the need to support the Pandemic and Seasonal Flu Act of 2005. You can help this effort by contacting your Congressional delegation. Materials are available at www.anapoliticalpower.org. ▼