



January 15, 2019

TO: Chairman Joe Sanfelippo  
Members of the Assembly Health Committee

RE: 2019 Assembly Bill 1; relating to coverage of individuals with preexisting conditions

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On behalf of the Wisconsin Primary Health Care Association (WPHCA), I am writing to provide additional information for the consideration of this Committee, regarding 2019 Assembly Bill 1 (AB 1).

WPHCA is the membership association for Wisconsin's 17 Federally Qualified Health Centers (FQHCs) also known as Community Health Centers (CHCs). We work to create healthier communities by improving access, improving care and reducing health disparities for Wisconsin's vulnerable populations. Our aim is to ensure that all Wisconsinites achieve their highest health potential. We execute our mission and focus our aim through providing training and technical assistance to Wisconsin's CHCs and advocating on their behalf.

WPHCA recognizes and appreciates the work the legislature is doing to protect Wisconsin consumers with pre-existing conditions. While the State would be unable to fix everything that may be lost if the Affordable Care Act is no longer law, this legislation is an important first step in protecting Wisconsin consumers.

Access to affordable and comprehensive health insurance for all Wisconsin residents is something that, even in the most polarized conversations, we can all agree on. AB 1 is well-intentioned in its attempt to protect consumer's access to health insurance. The Bill does, however, fall short of substantively ensuring that all Wisconsinites can afford and receive the health care they need when they need it to remain at work and take care of their families as productive members of their communities.

Please consider the additional information provided in this letter regarding the Wisconsinites who will not be protected by the legislation proposed in 2019 AB 1 if the Affordable Care Act (ACA) is no longer the law.

The Bill does not protect health center patients from the recent deterioration of the Affordable Care Act's consumer protection provisions. Although we recognize that this legislature cannot control the Federal law, the changes to the Federal law will indeed impact the very Wisconsin consumers that this legislature is working to protect through this proposed legislation. Specifically, there have been Federal administrative rules changes allowing the expansion of short-term health plans resulting in an increase in the number of insurance plans that are exempt

from ACA consumer protections. This means consumers, potentially unwittingly, are able to purchase 364 day-long plans that are not required to cover pre-existing conditions.

Successful litigation against the ACA would not only mean that coverage protections to pre-existing conditions would go away but could also mean the loss of subsidies provided through the ACA to make insurance more affordable. AB 1 addresses the pre-existing coverage protections for some Wisconsinites but does not address short term plans nor does it appear to support affordability of coverage for consumers.

The proposed legislation does not include additional ACA consumer protections, for example the removal of annual benefit caps and a requirement to provide comprehensive coverage. In addition, the Bill does not extend this pre-existing condition protection to nearly half of employee-sponsored consumers who receive their insurance through self-insured private employers (as is consistent with Federal statute).

Wisconsin health centers serve over 300,000 Wisconsin residents annually, whether they have insurance or not. Patients visit our health centers seeking primary care, dental care and increasingly behavioral health care.

Many Health Center patients gained individual coverage through healthcare.gov and received subsidies to afford this coverage. If the ACA were no longer law, even with the legislation proposed by this Committee, our patients would not have the same protections as they do today. Approximately 30% of our patients are eligible for subsidized coverage through the ACA today, meaning for a family of 4, they are earning between \$25,000 and \$50,000 per year. This legislation would not re-create the affordability structure that currently exists under the ACA, therefore leaving these individuals without coverage despite the work this legislation attempts to tackle in protecting this category of Wisconsinites.

We appreciate the legislature's attempt at creating Wisconsin-specific protections for consumers, and we implore the Committee to recognize the severe limitations of this legislation in providing accessible, affordable, quality coverage for all Wisconsin residents.

WPHCA submits this statement in encouragement of the legislature to consider this population of unprotected Wisconsin consumers in its work to build Wisconsin specific protections.

Sincerely,



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