



National Association of Health Underwriters

America's Benefits Specialists

Healthy Access to Individual Market Coverage

Executive Summary

The National Association of Health Underwriters (NAHU) is a professional trade association representing more than 20,000 health insurance agents, brokers and benefit specialists. NAHU's members help individuals and businesses purchase private health insurance coverage on a daily basis, and we feel that we must keep private individual health insurance coverage accessible and affordable for all Americans. Since each state's individual market is uniquely regulated, consumers in some states are faring better than in others, but no state's individual health insurance market is problem-free.

Americans deserve to see what can be done at the federal level to provide better access to individual coverage for everyone who needs it, without taking away the ability of states to innovate in ways that are appropriate for their own citizens. Also, great care needs to be taken when implementing market reforms on a national level so that coverage is affordable. No matter how "fair" a market-reform idea might seem on its surface, it is not at all "fair" if it also prices people out of the marketplace.

NAHU has developed 10 specific policy recommendations to ensure that all people, regardless of their health status and pre-existing medical conditions, have the ability to purchase affordable private individual coverage. Such requirements could either be enacted as part of a transition process to complete guaranteed issuance of coverage or they could be stand-alone requirements. Our recommendations are:

1. Require guaranteed access to individual coverage and create state-level financial backstops for catastrophic risks to keep coverage affordable.
2. Give pre-existing condition credit for prior individual market coverage to ensure true health insurance portability.
3. Standardize state requirements regarding the consideration of pre-existing conditions.
4. Improve federal group-to-individual coverage portability provisions so that people can transition directly from employer coverage to individual coverage without hurdles.
5. Stabilize individual market rates by requiring more standardization as to how individual market carriers determine pricing.
6. Increase consumer protections regarding individual market coverage rescissions.
7. Make it easier for employers to help people purchase individual health insurance.
8. Provide federal financial assistance to keep individual health insurance coverage affordable, including enhanced deductibility, subsidies for low-income individuals and federal financial support for qualified state financial backstop programs.
9. Ensure that all Americans have health insurance coverage.
10. Allow state implementation of enhanced consumer protections with a federal fallback enforcement mechanism.

NAHU urges Congress to carefully consider these ideas. We look forward to working with policymakers to fill the gaps in our nation's coverage system and to make private individual health insurance coverage more affordable and accessible for all Americans.