



March 10, 2006

Dear Senator:

I am writing on behalf of the American Nurses Association (ANA) to express our opposition to the Health Insurance Marketplace Modernization and Affordability Act of 2005, S. 1955. ANA is the only full-service national association representing registered nurses. Through our 54 constituent member associations, we represent RNs of all educational preparation, and in all practice settings across the nation.

While ANA acknowledges that the sponsors of S. 1955 have made a sincere effort to address shortcomings of the AHP legislation, their solution only serves to make things worse by endangering the quality of health care for the 68 million Americans in state-regulated group health plans and 16.5 million with individual coverage

S. 1955 would preempt state insurance laws, not just in the small group market (as is done by Association Health Plan legislation), but also in the individual and large group markets. S. 1955 would take away the states' autonomy to regulate health insurance, and would thwart years of state efforts to make sure that consumers have adequate health care coverage.

The bill preempts state benefit, service and provider laws which states have enacted to ensure that consumers have adequate health care benefits. Key primary and preventative care services such as cancer screenings and treatment, diabetes supplies and education, mental health, preventive care, rehabilitation, well-child care and immunizations, maternity care, and other vital benefits and protections would be lost. In addition to the loss of these benefit mandates, S 1955 would preempt mandates that guarantee access to Nurse Practitioners (32 states) Nurse Midwives (30 states) Nurse Anesthetists (17 states) and Psychiatric Nurses (18 states).

A study published in the July/August 2003 issue of the *Annals of Family Medicine* found that physician assistants, nurse practitioners and nurse midwives are more likely to work in underserved communities than are general internists, pediatricians, and obstetricians. ANA is gravely concerned about the new barrier to practice S. 1955 represents for APRNs, as well as the access to care issues that this barrier represents for consumers in rural and underserved areas.

Under S. 1955, insurance companies, instead of state-elected legislators, would now decide the benefits that consumers should have when they purchase health care. States would have no recourse to protect their own residents and react to state specific needs, and they would lose their incentives to enact laws in the future and be laboratories for healthcare innovation.

In order to bypass a state's protections, an insurer would only need to meet one requirement: offer a second plan that resembles one offered to state employees in one of the five most populous states. These states offer their employees a variety of plans, some of which are high-deductible. For example, Florida offers its state employees a plan that includes a \$5000 deductible for families. The fact that the insurer can choose any one of the plans available to employees of these states

means that there is no requirement or guarantee that the required “enhanced option” be affordable or comprehensive.

S. 1955 also would preempt stronger state laws that limit the ability of insurers to vary premiums based on health status, age, gender and geography. For many older, sicker Americans and those with complex health needs and disabilities, this would price them out of the health insurance market, undermining the stated purpose of the legislation. The bill imposes on all the states an outdated model law created by the National Association of Insurance Commissioners (NAIC), rather than using the NAIC’s current model standard that is more protective. Under this new system, many small businesses with workers who are older and sicker, women of child-bearing age, or who have fewer employees, will immediately see their premiums rise.

ANA has deep reservations about the impact of S. 1955 on access to primary and preventative care and on the cost of insurance, particularly for those most in need of care. There is no evidence that this legislation would ensure any real expansion of health insurance coverage.

While ANA remains committed to working with you to find real answers to the problem of the uninsured, we urge you to oppose S. 1955.

Sincerely,



Rose Gonzalez, MPS, RN  
Director, Government Affairs