

Coalition unveils healthcare legislation to help some uninsured

Contributed by Jeffrey Young
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A bipartisan group of senators, with the support of small-business and labor union lobbyists, on Wednesday unveiled legislation they said would go a long way toward expanding healthcare coverage for the largest segment of the uninsured.

Senate Majority Whip Dick Durbin (D-Ill.) said that he has been working since last January with the National Federation of Independent Business (NFIB) and the National Association of Realtors (NAR) to develop the legislation. He hopes it will break a deadlock that has stalled past efforts to facilitate access to health benefits for small-business owners, their employees and the self-employed.

Durbin has found support from Republicans, most notably Maine Sen. Olympia Snowe, the ranking member on the Senate Small Business and Entrepreneurship Committee who is also the bill's lead co-sponsor. And in addition to the business groups, the Service Employees International Union (SEIU) has endorsed the bill.

According to the nonpartisan Kaiser Family Foundation's 2007 employer health benefits survey, 59 percent of companies with fewer than 200 employees offer health insurance to their workers, compared to 99 percent of larger firms.

"Contrary to popular belief, most people who don't have health insurance are not out of work," said Durbin.

"We have to find a reasonable way to help small businesses that want to provide good health insurance to their owners and their workers, and also the self-employed, who've been left behind too many times," he said.

Standing with Durbin Wednesday was NFIB President and CEO Todd Stottlemeyer, who represents an organization that traditionally leans toward Republican ideas.

"This is the largest portion of the uninsured population in the United States," Stottlemeyer said. The Durbin-Snowe bill could "break the decades-long logjam that has blocked small-business [healthcare] reform legislation," he said.

Snowe, who has sponsored small-business health-insurance legislation in past Congresses, echoed the bill's importance. "Indisputably, rising costs of health insurance has been the No. 1 issue of concern for small businesses, and rightly so," she said.

Sen. Blanche Lincoln (D-Ark.) joined Durbin and Snowe at the announcement. Sens. Norm Coleman (R-Minn.) and Amy Klobuchar (D-Minn.) also are original co-sponsors, Durbin said. All but Klobuchar sit on the Finance Committee. Executives from the NFIB, the NAR and the SEIU also spoke at the event.

Although only about 75,000 of the SEIU's 1.9 million members are self-employed or work for small businesses, reducing the number of uninsured "can't just be about our members," said Mary Kay Henry, the union's executive vice president.

The legislation would combine annual tax credits up to \$2,000 per worker for small-business owners and \$3,600 for the self-employed with state- and federally based insurance pools designed to spread risk for insurers and reduce premiums for workers. The measure also limits insurers' ability to use patients' medical histories to exclude them or drastically hike their premiums. The bill would leave most of the regulation of the insurance plans to state authorities.

The senators highlighted the diversity of interests backing the bill: The NFIB has traditionally aligned with Republicans and the SEIU with Democrats.

Underscoring this point, Durbin joked about his first meeting with Stottlemeyer about the bill, which took place shortly after Democrats assumed control of Congress. "It was a rare visit by the NFIB in my office. I think it was the first … in my

congressional career," Durbin said.

The Senate Finance and Health, Education, Labor and Pensions (HELP) committees are expected to share jurisdiction over the bill. The sponsors said they had reached out to Finance Committee Chairman Max Baucus (D-Mont.) and ranking member Chuck Grassley (R-Iowa) and to HELP Committee Chairman Edward Kennedy (D-Mass.) and ranking member Mike Enzi (R-Wyo.).

The Small Business Committee does not have jurisdiction, but Chairman John Kerry (D-Mass.) in a statement offered support for the effort, if not an endorsement of the bill. "There are good provisions in this bill similar to ideas I campaigned for in 2004 [to be president]. I'm also working with my fellow committee chairmen, Sens. Kennedy and Baucus, and other colleagues to see if there is a broad and bipartisan plan we can pass through Congress this year," Kerry said.

Legislation to help small employers provide affordable health benefits to their workers has stalled in Congress numerous times in recent years, largely along party lines.

Most recently, then-HELP Committee Chairman Enzi came five votes short of cloture on a bill to allow trade groups to offer association health plans to members, despite the support of the NFIB, the NAR and some health insurance companies. Asked about the Durbin-Snowe bill, a spokesman said Enzi "welcomes bipartisan efforts to bring market-based solutions to the health insurance crisis that is hurting millions of families."

At the time, Durbin sponsored the Democratic alternative, which would have created a federally administered, privately provided health insurance system for small employers.

The chief opposition to Enzi's bill, which was similar to Snowe's previous legislation, came from groups such as the American Diabetes Association, which protested that insurance companies would be able to exclude costly patients they would be required to cover under state law. Most Democrats shared that view. Republicans opposed Durbin's approach largely on the grounds that it would have greatly increased the federal government's role in the health-insurance marketplace.

"The debate, very frankly, showed that we needed a new approach," Stottlemeyer said.

Durbin and Snowe said they believe their bill answers those questions. "We went and addressed the fundamental concerns expressed by critics of the [previous] small-business health-insurance plan[s]," Snowe said.

Nevertheless, the health insurance industry will take a long, hard look at the plan, which could greatly affect their business. Spokeswomen for America's Health Insurance Plans and the Blue Cross Blue Shield Association said they were reviewing the bill and could not comment.