

This Week in Health Care Reform: July 2, 2010

President Obama and Administration officials promoted the first major initiative of the health care reform law this week, while Republican leaders in the House renewed calls to repeal the law amid polls that show mixed feelings about the legislation among most Americans.

As opportunities arise during implementation of the health care reform legislation, we encourage you and others to engage members of Congress by visiting the [Health Action Network](#).

Health Care Reform

New Coverage for Uninsured to Begin: Administration [officials](#) launched the first big initiative of the new health care reform law this week by allocating funds to 30 states to run high-risk insurance pools for uninsured [Americans](#). The *Pre-Existing Condition Insurance Plan* provides access to coverage for individuals with pre-existing conditions who have been uninsured for at least six months.

By law, the [premiums](#) in these high-risk pools must align with the state's average rate for individual plans. Officials say the premiums could range from \$140 to [\\$900](#) each month based on state health care costs and varying types of coverage. Residents in a select group of states began applying for policies in a federal high-risk pool on [Thursday](#), with residents in the remaining states applying by the end of the month. Coverage will be available as early as August 1.

Republican Leaders Back Repeal Initiative: House Minority Leader John [Boehner](#) (R-OH) and Minority Whip Eric Cantor (R-VA) announced on Wednesday strong support for two discharge petitions to [repeal](#) the health care reform law. One petition aims to repeal the individual mandate [portion](#) of the law, while a second petition seeks [to repeal](#) the law in its entirety. The Republican leaders encouraged their colleagues to sign the petitions.

COBRA and Unemployment Benefits Fail Again: On Wednesday, Senate [Democrats](#) fell [two votes](#) short of passing a \$34 billion measure that included a six-month extension of unemployment benefits and [COBRA](#) health insurance subsidies. According to the National Employment Law Project, benefits for more than 1.3 million Americans [expired](#) at the end of June as a result of lawmakers failing to extend the legislation.

Additional Activities

California Update: [WellPoint's](#) health plan affiliate in California submitted rates to the California Insurance Department this week that would increase prices for individual policyholders by an average of [14 percent](#), capping price increases at 19.9 percent. The outside actuary hired by the state had recommended an increase of 15 percent, with at

least one product meriting an increase of 24.5 percent. As a result of the [lower rates](#), WellPoint will incur a \$100 million loss in the California market.

In other California rate news, [Aetna Inc.](#) withdrew its proposed rate increase for individual policyholders in California due to miscalculations identified by the state's outside actuary. The company also resubmitted its rate request.

Massachusetts Rate Approval: The [Massachusetts](#) Division of Insurance ruled last week that Harvard Pilgrim Health Care could proceed with an 8.6 percent rate increase. The [increase](#) had been rejected earlier in the year by the state's insurance commissioner. As Politico notes, "The decision could be a harbinger of things to come in a state like New York that, with the Obama administration encouraging and funding stringent rate review programs, just instituted a prior-review system for rate increases."

Public Opinion

Voters Still Favor Repeal of Health Care Reform Law: In a recent [Rasmussen report](#), 52 percent of voters continue to favor repeal of the health care reform law. The survey also shows that a majority of people with health insurance like the coverage they have, but are skeptical that they will be able to keep it under the new law. Forty-four percent of Americans believe the new health care reform law will force them to leave their plan and find new health insurance coverage.

Americans Unhappy with Direction of Country: In a recent [AP/Gfk poll](#), 46 percent of Americans disapprove of the way President Obama is handling health care reform, while 60 percent believe the country is heading in the wrong direction.

Looking Ahead

After a two-week recess, lawmakers will return to Washington on July 12 to begin the final legislative push leading up to the November midterm elections.