



Democrats Ask Trump Administration to Block Consumer Protections

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In a recent letter to the Trump administration, leading congressional Democrats ask the administration not to allow protections for enrollees in short-term health plans.

Yes, you read that right. Dated April 12, the letter comes from Sens. Patty Murray (WA) and Ron Wyden (OR), as well as Reps. Frank Pallone (NJ), Bobby Scott (VA), and Richard Neal (MA), each the top Democrat on a different congressional committee with jurisdiction over health care. They ask the administration to withdraw in its entirety a proposed rule that, if implemented, would offer significant protections to enrollees in so-called “short-term limited duration plans.”

The administration has proposed lengthening the maximum term for such plans from 3 months to 12 months, which had been the limit for nearly two decades before the Obama administration shortened it. The administration has also asked for public comments (due April 23) on whether it should allow insurers to offer short-term plans with “renewal guarantees”—a consumer protection that allows enrollees who develop expensive illnesses to continue paying low, healthy-person premiums.

The letter asks the administration to “withdraw the proposed rule in its entirety,” which would block those consumer protections. These Democrats literally want to prevent short-term plans from giving consumers the peace of mind from knowing they will be covered for an entire year. Worse, these Democrats want to prohibit short-term plans from offering a consumer protection that protects the sick from premium spikes.

The reason for this animosity toward short-term plans is rather clear: ObamaCare supporters don’t want the competition. Federal law exempts “short-term limited duration plans” from ObamaCare and other federal health-insurance regulations. Short-term plans free consumers to purchase only the coverage they want, rather than have ObamaCare force them to buy coverage they don’t want, including coverage for things they may find morally repugnant. ObamaCare supporters do not want consumers to have that freedom, because when consumers leave ObamaCare coverage for short-term plans, ObamaCare premiums will reflect more and more of the cost of that law.

It is the height of irony for Democrats to call consumer-oriented short-term plans “junk plans” when ObamaCare is making coverage worse for the sick. One study found ObamaCare’s preexisting-conditions provisions penalize insurers \$6,000 per opioid addict they enroll—so

whichever health plan offers the best coverage pays the most penalties—and that ObamaCare is making coverage for opioid addiction and other ailments worse and worse as a result. At the same time, the law is causing premiums to rise so rapidly they double every few years. The only “junk” plans here are ObamaCare’s.

Expanding short-term health-insurance plans would give consumers the freedom to vote with their feet. Democrats don’t want consumers to have that freedom, because they know what the outcome of that vote will be. ObamaCare would continue to crumble, and Democrats would have to work with Republicans to replace it. The letter from Murray, Wyden, Pallone, Scott, and Neal provides all the more reason for the Trump administration to allow short-term plans to offer renewal guarantees.

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