



What if the Government Picked Your Insurance Plan?

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Individuals enrolled in exchange health insurance plans are automatically re-enrolled in those same plans from year to year if they do not visit the exchanges to enroll elsewhere. But now, Charles Hughes, research associate at the Cato Institute, reports that the Department of Health and Human Services (HHS) is considering a new rule that could allow the government to pick people's insurance plans instead.

The HHS regulation would allow enrollees to decide what should happen upon expiration of their insurance: would they like to re-enroll in their current plan (as is the case under the law currently), or would they like the government to move them into a cheaper plan if their prices go up?

According to Hughes, automatic insurance renewal can surprise enrollees with price increases -- something that the proposed option (allowing the government to transition people into less expensive plans) could avoid. However, he notes that it comes with significant risks: different plans may be cheaper, but they may not provide access to the same doctors or coverage for the same prescriptions. Those network features are important to patients, who could lose their favored health care providers by granting the government the power to choose their own health plans for them, solely based on price.