

U.S. states upset over insurance bill

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A proposal before the U.S. Senate to help small businesses buy cheaper health insurance has upset state officials who feel it treads on their turf.

At least 39 state attorneys general, three governors and 16 state insurance regulators oppose the measure now before U.S. Senate, reports Stateline.org.

"This bill contains provisions that will erode state oversight of health insurance plans and eliminate consumer protections in the areas of mandated benefits and internal grievance procedures," the attorneys general said in a letter to U.S. senators.

The proposal would let trade associations buy coverage from insurance companies and offer it to members and their employees nationwide, even if the plans didn't comply with individual state laws, the report said.

It would also allow existing small business plans to avoid state regulations in order to ensure the new plans don't have an unfair advantage, the report said.

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