

U.S. states upset over insurance bill

April 27 2006

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.

Copyright 2006 by United Press International

Citation: U.S. states upset over insurance bill (2006, April 27) retrieved 4 May 2024 from <https://medicalxpress.com/news/2006-04-states-bill.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.