

# **HEALTH CARE**

## **NEWS AND INFORMATION**

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*Health Care: News and Information* is a service of the Healthcare Leadership Council (HLC) to help our readers stay fully informed about the latest health care issues as we work to advance a high-quality health care system.

Jim Edwards, Editor

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## **States Add More Health Mandates**

**State legislatures are part of the problem concerning rising health insurance rates.**

- A new study by the Council for Affordable Health Insurance (CAHI) counts 60 new state coverage mandates since last year. Those mandates contribute to higher health insurance costs.
- Lawmakers may think they're improving the health benefits and insurance accessibility of their constituents. But they're often wrong.
- Government intervention to tack on mandatory insurance coverage of health products or services. directly adds to the cost of health coverage consumers must pay.

**Health mandates have steadily increased the past half-century. And their consequence is higher prices — and, thus, the pricing out of the health insurance market of more and more people.**

- CAHI says “only a handful of state mandates” existed in the 1960s. But last year, there were more than 1,900.
- Now, state health mandates number some 1,961 nationwide. Last year, there were 1,901.
- Several states force health insurers to provide certain politically determined benefits. Or they require insurers to accept all comers (even those with pre-existing conditions, which is like getting fire insurance after the house is burning).
- Such mandates lead to higher costs, which lead to fewer people able to afford insurance.

**Rather than letting the market determine the health coverage options and benefits people want, politicians substitute their “wisdom” and the strong arm of government through mandates.**

- Many mandates require coverage of certain providers. Some 46 states force insurers to cover chiropractors. Thirty-five require covering podiatrists. Four states mandate massage therapy coverage or naturopaths.

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- Some mandates are for coverage of certain population groups. For instance, 30 states require dependent student coverage, and four of grandchildren. This starts to reach the absurd with such things as the so-called “slacker mandate,” where states define “children” as up to age 30 who remain dependents and thus covered on parents’ health policy — even if the offspring aren’t students.
- CAHI notes recently in the Wall Street Journal, “Such micromanaging of benefits is unique to health insurance.” Other types of insurance that the states regulate, but don’t micromanage, “function better and provide consumers with more choices.”

**Many politicians who rail against the rising costs of health coverage should look in the mirror the next time they’re looking for somebody to blame for this. Not everybody wants or can afford a “Cadillac health plan.” Excessive government intervention in the health insurance market can be, and often is, part of the problem. At least 30 states now require cost-benefit analyses before a health mandate goes into effect. It would be better for everyone for lawmakers to place some trust in the ability of the market to respond to consumer demand — and quit trying to micromanage health care. Mandates are expensive and counterproductive. So, first, do no harm!**

*The Healthcare Leadership Council, representing the innovators in each sector of the health care industry, is committed to advancing a market-based health care system that values innovation and provides affordable, high-quality care.*

HLC field directors:

Darren Katz (404) 885-9351  
(AL, AR, FL, GA, LA, MS, SC)

Paul Pearson (405) 488-0541  
AZ, CO, KS, MN, NE, ND, NM, OK, SD, TX, UT)

Brad Crone (919) 834-8431  
(DE, KY, NC, MD, MO, TN, VA, WV)

Larry Krutchik (818) 728-3355  
(AK, CA, HI, ID, MT, NV, OR, WA, WY)

Brian Feldman (404) 885-1723  
(IA, IL, IN, OH, MA, MI, RI, WI)

Tom Maher (603) 431-2340  
(CT, ME, NH, NJ, NY, PA, VT)

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**Healthcare Leadership Council  
1001 Pennsylvania Avenue, Suite 550 South  
Washington, DC 20004  
(202) 452-8700  
[www.hlc.org](http://www.hlc.org)**