

## Governor's Office outlines a plan that would simplify health insurance

*Mark Havnes - The Salt Lake Tribune*

Saturday, August 11, 2007

CEDAR CITY - A proposal by the Governor's Office to rein in runaway health care costs and increase coverage was outlined on Friday to participants of the Rural Utah Summit in Cedar City. John T. Nielsen, who is working with the Governor's Office in spearheading legislation for the plan, would mandate that all Utahns have health insurance through a nonprofit exchange that would facilitate the purchase of insurance.

Under the proposed plan, by Gov. Jon Huntsman, Jr., a Utah Health Insurance Exchange would be created that would approve of insurance companies participating, help the consumers select and enroll in plans, collect payments and pay insurance companies.

Nielsen said the exchange would act as a facilitator much as the Security and Exchange Commission does in the buying and selling of stocks.

Nielsen, an attorney, said the exchange also would be designed to help spread risk among participating insurance companies.

The exchange would be a state-chartered, not-for-profit corporation, said Nielsen to an audience of about 200 attending the summit, and not government-sponsored insurance or a regulator.

Employers would benefit as the exchange would be a simple process for insuring employees.

Nielsen said there would be no need for employers to research, negotiate or designate one option for all workers, and contributions from multiple employers could be pooled.

"This would be huge, if employers did not have to manage [insurance]," said Nielsen. "It would save a lot of headaches."

For employees who choose to take part in the program, they will be able to select any offered plan for themselves and family, obtain information on cost and coverage comparisons from the exchange and pay from pre-taxed withholdings. It would also be flexible and portable, allowing people to take coverage with them when they change jobs.

Nielsen said the governor would like to see the proposal introduced in the 2008 Legislature and take effect in 2009 if approved. He said there are still difficulties that need to be worked out, like figuring a way to spread the risk among participating insurance companies and how to pay for individuals who want, but cannot afford health insurance.

Joe Jarvis, a Salt Lake City physician, also addressed Friday's group, calling the health care system in the country broken and in need of repair.

Jarvis currently owns a consulting business for public health and environmental medicine and is advising the **Utah Health Policy Project**, which is committed to helping policymakers and the public evaluate proposals for health care reform.

He told Friday's gathering that today less than half of the 250,000 small-business employees in Utah, those working for a company of fewer than 50 employees, have health insurance. If these uninsured workers have two dependents it compromises 400,000 uninsured Utahns.

Jarvis said he feels Utahns would like to see a change for the better, and the time is ripe for action.

"There is a palpable sense of despair [among Utahns] that these problems are intractable and that corporate interests will always prevail over the needs of patients," said Jarvis.