

# 92,793 in La. face loss of health insurance policies



WASHINGTON — Nearly 93,000 Louisiana residents who are losing their health insurance plans must decide by the end of March whether to upgrade with their provider, shop on the Affordable Care Act exchanges or pay a fine.

Louisiana Commissioner of Insurance Jim Donelon said Tuesday that insurance companies are reporting 92,793 individual insurance plan discontinuations — his initial estimate was at least 80,000 — mostly because the policies are bare-bones plans that do not meet the Affordable Care Act coverage standards or because the policies have excessive deductibles.

“It’s higher than expected,” Donelon said of the number of discontinuations in the state. “We had no way of telling, but it’s a little bit higher (than anticipated).”

The amount represents just more than half of the roughly 165,000 individual insurance policies in Louisiana, which has roughly 4.6 million residents. The discontinuations do not apply to the people who acquire insurance through their employers.

The vast majority of the discontinuations come from Blue Cross and Blue Shield of Louisiana and its 60,000 affected plans.

The Humana Health Benefit Plan of Louisiana reported 18,000 discontinuations, along with 10,000 from Coventry Health Care of Louisiana, more than 3,600 from the Golden Rule Insurance Co. and 650 from Vantage Health Plan, Inc., among others.

Donelon called the Affordable Care Act a “mindboggling complex overhaul” of health care and insurance policy.

He added he is “sure” the situation will begin to improve once consumers review their options and the glitch-ridden rollout of the HealthCare.gov website is corrected.

President Barack Obama repeatedly has said people who liked their insurance plans would be able to keep them.

The reality of that assertion failed to explain the loss of individual health plans that do not meet the health care law’s minimum coverage standards for roughly 7 million people.

The discontinuations are mostly for “substandard coverage,” according to Jan Moller, executive director of the nonprofit Louisiana Budget Project, which supports the health care law.

“In all cases, it’s going to be better care and, in most cases, it’s going to be more affordable coverage because of tax credits,” Moller said.

Still, Moller acknowledged it is difficult to receive discontinuation notices when most people remain unsure of their options. “It’s certainly a shock to anyone who gets that letter, and I don’t want to minimize the problems with the website,” he said, adding the online situation should be much improved in a month.

Moller said a “very legitimate concern” exists that some insurance companies will choose to keep their customers ill-informed and get them to buy more expensive plans, rather than help them learn all their options and federal subsidy eligibilities through HealthCare.gov.

Blue Cross and Blue Shield of Louisiana spokesman John Maginnis said his company’s discontinuations — “most of them were hospitalization-only policies” — are only a portion of their 129,000 total individual policies and 1.5 million overall members in Louisiana.

“We walked all of these people through the process of making choices,” Maginnis said, adding that close to 70 percent of average working Louisiana residents should qualify for subsidies.

Maginnis said he expects a surge in new enrollments in mid-December. “We’re cautiously optimistic. Things are working somewhat better” he said. “There’s a lot of time really.”

There also is the politics of the matter at play. Sen. Mary Landrieu, D-La., was a key supporter of the health care law and she faces re-election next year. Landrieu is among the Democrats being attacked for the “Obamacare” promise that people would be keep their health care plans if they liked them.

As such, Landrieu has pivoted and filed her new “Keeping the Affordable Care Act Promise” bill to allow people to keep their current plans.

Landrieu read a discontinuation letter from Vantage Health Plan, Inc. to a Louisiana resident that notified the person of his options through Vantage or HealthCare.gov. and its (800) 318-2596 phone number.

“Members enrolling into individual plans through the marketplace may be eligible for premium and/or cost-sharing subsidies,” Landrieu said the letter stated. “This is because everyone in Louisiana with a family income of up to \$90,000 a year will have some sort of premium support, which will be a great help to many of our middle-class families.”

“This is the letter thousands of people are receiving,” Landrieu added. “This letter should have never gone out. We said to people that if they have insurance they like, they can keep it. We didn’t say that if they have insurance they like that doesn’t meet standards or that meets the minimum standards, they can keep it.”

Landrieu’s best-funded opponent in the Senate race is Rep. Bill Cassidy, R-Baton Rouge, who launched a new ad Tuesday asserting Obama and Landrieu “didn’t level with you about health care.” Landrieu previously called it “accurate” that people would be able to keep their insurance.

The ad asserts Landrieu is “in a panic ... for her own political career.”

“She’s proud of being the deciding vote to pass Obamacare,” Cassidy says, noting his desire to repeal the law.