

HEALTH CARE FOR AMERICA **NOW!**

For Immediate Release

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State Insurance Commissioners Stand Up to Insurance Companies, Adopt Medical-Spending Rule

Washington, DC – [Health Care for America Now](#) (HCAN), the 1,000-member coalition that led the successful fight for health reform, applauded today's decision by the National Association of Insurance Commissioners (NAIC) to reject intense lobbying pressure from health insurance companies and support a critical provision of the new health care law that will rein in their excessive profits. The industry has [spent more than \\$769 million on federal lobbying since 2007](#), along with record amounts of political spending through election front groups like 60 Plus and the U.S. Chamber of Commerce. That lobbying continued with a vengeance this week at the NAIC meeting in Orlando, where [more than 1,000 industry officials and lobbyists were on hand](#). The industry has been doing everything it can to dilute, weaken and delay the rule. [America's Health Insurance Plans urged the body not to pass it](#). The NAIC voted on its final recommendation today and now it goes to the Health and Human Services (HHS) Department to form the basis for a formal regulation.

Here is a statement from **HCAN Executive Director Ethan Rome**:

"This is an important milestone in the implementation of the Affordable Care Act. The commissioners told the insurance companies that the rules have changed and their stranglehold over our health care is ending.

"Today state insurance commissioners rejected the greed-driven pressure from the \$829 billion-a-year private health insurance industry. After HHS adopts the commissioners' recommendations, the formal rule will end the insurance companies' practice of spending too few premium dollars on actual medical services even as they deny people the health care they need and charge us more and more."

The Affordable Care Act, enacted on March 23, 2010, requires insurers to spend on patient care and quality improvement at least 80 percent of health plan premiums collected from individuals and small employers and 85 percent of premiums from large employers. Any shortfall must be rebated to enrollees. If the law had been on the books in 2009, the [six largest for-profit health insurance companies would have been required to refund \\$1.9 billion for that year alone](#), according to a Wall Street analyst. The top [five for-profit health insurers alone made \\$12.2 billion in profits in 2009](#).

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Health Care for America Now is a national grassroots coalition of more than 1,000 organizations in 46 states representing 30 million people. HCAN led the fight over the past two years to win passage of health reform and to keep Congress from being steamrolled by corporate special interests.