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**Testimony regarding Public Hearing on Health Insurance Reform and
Establishment of an Exchange
The Governor's Health Reform Implementation Council
9/22/10, Chicago, IL**

From: League of Women Voters of Illinois
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The League of Women Voters of Illinois (LWVIL) is pleased to comment on Health Insurance Reform and the Establishment of an Exchange. The League has a long-standing position for universal access to a basic level of quality health care. In the past year League advocated for passage of the federal Affordable Care Act, and supported the earlier attempt to implement the Health Care Justice Act in Illinois.

The topic of the hearing today is timely. Just last week the U.S. Census Bureau reported that the number of people with health insurance in the United States in 2009 dropped from the previous year. This is the first annual decline since the government began collecting insurance coverage information in 1987. Rising health insurance premiums during an economic recession is one of the factors in the decline.

While the Affordable Care Act requires review of increases in insurance premiums, it remains to the states to establish rate approval parameters. Illinois law places no restrictions on health insurance rate increases, does not require public disclosure of premiums, enrollment and claims information, or provide for state review of policy rescissions. A December 2009 Report by the National Association of Insurance Commissioners found that Illinois had the highest number of rescissions in the nation.

The League strongly supported the "public option" during the health reform debate. The Pre-existing Conditions Insurance Plan (IPXP) just started in Illinois with federal subsidy will cover just a tiny fraction of the uninsured in Illinois until replaced by state Health Insurance Exchanges in 2014. States can institute the Exchanges earlier, however.

In summary, League regards the following as pressing issues for the Council's consideration.

- Unregulated insurance rate increases
- High policy rescissions
- Lack of transparency for consumers
- Feasibility of starting the Exchanges sooner than 2014 for the growing number of uninsured