

A Working Alternative to Mandates
By Lynette Parmley

We can all agree that Oklahomans are unhealthy because of our own bad habits. Our health statistics are dismal and we have a high number of uninsured. In fact, about 20 percent of Oklahomans do not have health insurance – one of the highest per capita levels in the nation. This not only places tremendous upward pressure on premiums paid by those who have insurance, but also strains state appropriations to pay for care provided to the indigent and uninsured.

Solutions to these challenges begin with the private sector. Reforms should be targeted at covering the nearly 20 percent of uninsured Oklahomans rather than creating massive reforms affecting those who are currently satisfied with their coverage. Incentives to the private sector that enhance the level of participation in the free market system are the best option for offsetting the current strain.

One of the efforts worth supporting is the creation of a “basic” health benefit insurance plan that does not have to conform to state health benefit coverage mandates. While mandates are always well intentioned, the required added costs they generate makes insurance overall less affordable. The insurance industry has been unjustly targeted as the reason why benefit mandates are not being passed by the legislature this year when, in fact, insurance carriers simply serve as “pass through” entities. Any added costs are passed on to the consumer which, in this case, is mainly the small business owner.

Increased health insurance premium costs have the potential to financially impact a business in several unconstructive ways: those offering coverage may find they are no longer able to do so while those contemplating covering employees may decide to postpone adding such benefits until “times are better.” Therefore, anything that adds costs to the already burdened small business community, especially in a down economy, is something that should not be supported.

The legislature has an important role in bringing efforts to expand health insurance coverage to fruition: our legislators have the ability to develop incentives for the private sector health insurance marketplace that are more flexible, and thereby more usable, than mandates. This could be done in a variety of ways: expanding the innovative *Insure Oklahoma!* premium assistance program to include high-deductible plans containing health savings accounts, creating tax credits or other incentives for plans that incorporate cost savings initiatives like evidence based medicine, information technology, pay-for-performance rewards, liability limitations on employers and providers, incentives for preventative care and tax deductibility for health-related out-of-pocket expenses.

Whatever route we take, we can all agree there are steps that need to be taken. Let our employers decide how to get there. Let’s give them the tools they need to help make health insurance more affordable – through laws and incentives favorable to strengthening our economic base rather than mandating what they must buy and leaving them to scramble on how to make it happen.

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