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Governor Directive Calls For State Policy Solutions For Health Care Access: Here Are Next Steps

RICHMOND, VA -- On Tuesday, Gov. Northam called upon the Virginia Secretary of Health and Human Resources to pursue state policy options to increase access to affordable, quality health care coverage. The directive asks the secretary to pursue options that would leverage state resources, provide affordability through state innovation, and have a focus on consumers.

There are a number of options that Virginia could pursue that have been or are expected to be successful in other states, according to a new report by The Commonwealth Institute, an economic and policy research organization in Richmond. The report offers a blueprint for the state to lower costs for those accessing coverage on the marketplace and make health care coverage more accessible to people in Virginia.

The individual marketplace is where over 300,000 people in Virginia currently access coverage. However, due to rising premiums over recent years tens of thousands of people have left the exchange and no longer access the comprehensive coverage provided on the exchange. Monthly premiums of close to $800 on average in 2019 underscore the need for state action.

“Rising costs on the individual marketplace, largely due to ongoing actions at the federal level, has made coverage less accessible for many families with low and moderate incomes. The state should seriously consider options such as a state-based exchange combined with a reinsurance program in order to bring these prices down for families throughout Virginia,” says Freddy Mejia, Policy Analyst at the Institute and co-author of the report.

These two options would need upfront investment from the state but could be offset by future savings from the transition from a federally facilitated exchange to a state-based exchange -- a little to no cost option to the state that could save families thousands of dollars a year.

At the federal level, the deregulation of skimpy health plans such as association and short-term, limited-duration plans will leave families underinsured and erode protections for those with pre-existing conditions. Lowering the costs of comprehensive coverage options on the
marketplace along with stricter regulations of skimpy health plans at the state level are crucial to protecting and covering those in Virginia living with a long-term illness.

“This is an opportunity to bolster protections for people with pre-existing conditions and lower health coverage costs for thousands of people in Virginia, all with what would amount to a nominal investment from the state. This should be a no-brainer for state leaders and legislators,” said Mejia.


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The Commonwealth Institute for Fiscal Analysis provides credible, independent, and accessible information and analyses of fiscal and economic issues with particular attention to the impacts on low- and moderate-income persons. Our products inform fiscal and budget policy debates and contribute to sound decisions that improve the well-being of individuals, communities and Virginia as a whole. Visit www.thecommonwealthinstitute.org for more information.