

HOUSE JOINT RESOLUTION 704

By Lynn

A RESOLUTION relative to the preservation of states' rights regarding federal health insurance exchanges and a public plan.

WHEREAS, the Tenth Amendment to the United States Constitution states that, “The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people;” and

WHEREAS, the states primarily regulate today’s health insurance market and provide aggressive oversight of all aspects of this market and enforce consumer protection as well as ensure a local, responsive presence for consumers; and

WHEREAS, the state-based system of regulation of health insurance has served all interests well; and

WHEREAS, the U.S. Congress is considering legislation that may impose restriction on the states’ ability to regulate health plans, including overriding already adopted state patient protections; and

WHEREAS, the federal government should regulate health plans only where they are given authority under the Employee Retirement Income Security Act (ERISA) and allow the states to continue to regulate all other plans within their borders and with their existing regulatory expertise without federal intervention; and

WHEREAS, the creation of a new federal system of regulation for health insurance would be inefficient, unnecessary, not cost-effective, and an additional burden on the health care delivery system; and

WHEREAS, private sector health plans are leaders in innovations to improve quality, benefits, and customer service that government-sponsored health plans have been slow to adopt; and

WHEREAS, Congress is considering legislation that would create a federal health insurance exchange or connector to facilitate the purchase of health insurance by individuals and small employers, including offering a new public plan option; and

WHEREAS, a federal exchange would create conflicting state and federal rules, resulting in consumer confusion and leading to adverse selection; and

WHEREAS, a federal exchange would require substantial resources to create a new federal entity that duplicates functions currently performed by states; and

WHEREAS, a federal exchange would undermine states' oversight role in health insurance and cause a substantial shift in the regulation of the health insurance market from the states to the federal government; and

WHEREAS, a federal exchange would undermine state authority to design programs that reflect local needs; and

WHEREAS, a new public plan would not improve competition, but would result in an uneven playing field that would shift costs to the private sector and undermine private plans; and

WHEREAS, a new public health insurance plan would be subject to constant federal changes; and

WHEREAS, a new public plan is unnecessary in light of the private sector's product offerings and innovations; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SIXTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that this General Assembly hereby urges the United States Congress not to institute new federal review, oversight, or preemption of state health insurance laws, nor create a federal health insurance exchange or connector, nor create a federal health insurance plan (public plan) option.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker and the Clerk of the United States House of Representatives, and to each member of Tennessee's Congressional delegation.