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In My Opinion

The Return to the Bad Old Days of HIRSP?

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Madison, WI – Wisconsin’s Insurance Commissioner glanced backward recently through a pair of rose colored glasses at the mothballed HIRSP program. He is not alone, in fact the House GOP “American Health Care Act” and guidance from new US Department of Health and Human Services leadership have moved the concept of “high risk pools” back from the history books to back on the table. Largely, risk pools are viewed as a “market stabilization” strategy – a way to move sicker, more expensive patients out of insurance plans to help reduce cost of the overall pool of insured.

Sadly, HIRSP recalls the bad old days of discrimination in insurance underwriting, and segregating patients with pre-existing conditions and giving them a lower level of care and service or the same level of coverage, but at an exorbitant price.

Even Wisconsin Governor Scott Walker jumped on the pre-existing condition and high risk pool bandwagon in early May, saying he would consider requesting a Waiver from CMS as a strategy cover those with pre-existing conditions. The public backlash was almost immediate, and Walker has since walked back his comments, saying he would evaluate the options available to him once the Senate acted on the AHCA.

But Wisconsin’s Insurance Commissioner promotes the “high risk pool bandwagon.” In a [press release](#) issued May 17, Commissioner Ted Nickel said “Obamacare is falling apart... Thankfully, Wisconsin can provide a map for the road ahead. If a person was denied insurance due to a preexisting condition, they would receive coverage from Wisconsin's high-risk pool known as the Health Insurance Risk-Sharing Plan (HIRSP)... Reforms like Wisconsin's HIRSP offer a way forward.” Sadly, this policy is a backward step that the public will reject.

HIRSP is a path best forgotten and left to the history books. The program legitimized health care segregation and rationing. Bring HIRSP back to life would provide a welcome mat to the return of pre-existing care exclusions. Unfortunately, the backward looking thinking espoused by Insurance Commissioner Nickel takes us to a time when people were excluded from coverage, corralled in high risk pools and discriminated against because of illness or health status.

Let’s take off the rose colored glasses for Commissioner Nickel and look back at the bad ole days when HIRSP was an only option for many people with medical conditions. Consumers and advocates – and most providers who contributed to the financing of HIRSP – do not share the romantic view of HIRSP as our Commissioner – or House GOP leadership.



To qualify for HIRSP, an individual had to have received rejection from private insurance plans first, prove he was not eligible for employer-offered insurance or BadgerCare and did not voluntarily cancel coverage, even due to cost, and elected COBRA when it was offered, and be able to afford the premiums of HIRSP – often double a traditional insurance plans and rated based on age, and deductibles that were typically \$1,000 to \$7,500. There was a lifetime cap of \$2 million. Eligible individuals had a 6-month exclusion from coverage – that’s no coverage for six months- after being deemed eligible for HIRSP.

The vast majority of the public have moved *way beyond* the myopic thinking of Commissioner Nickel. His brand of health insurance, driven by exclusions and profit maximization tactics went out of vogue back in 2010. The public is in no mood to permit insurance companies to cherry pick profitable customers and exclude those who include up to 2.5 million Wisconsinites with possible preexisting conditions.

In the past, while HIRSP was “something” for patients in Wisconsin – because when insurers could discriminate, there was no other option. The Affordable Care Act changed that, guaranteeing coverage while eliminating preexisting condition exclusions for most patients.

Romantic strolls down memory lane do not change the facts of discrimination, and high costs associated with the old HIRSP program. People remember waiting periods, lifetime caps, and bureaucratic hoops that were part of the Wisconsin HIRSP program. Let’s learn from the past and really move forward with sensible policy solutions that prohibit pre-existing condition exclusions.

Bobby Peterson is the founder and Executive Director of ABC for Health, Inc., a Wisconsin-based, nonprofit, public interest law firm dedicated to linking children and families, particularly those with special health care needs, to health care benefits and services. ABC for Health’s mission is to provide information, advocacy tools, legal services, and expert support needed to obtain, maintain, and finance health care coverage and services.