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HOUSE JOINT RESOLUTION NO. 191

Offered January 22, 2010

Requesting the Secretary of Commerce and Trade, in consultation with the State Corporation Commission, appropriate business and trade associations, and independent agent trade organizations, to develop a blueprint for greater health insurance choice in the Commonwealth. Report.

 Patron—Peace

 Referred to Committee on Rules

WHEREAS, the President of the United States has correctly stated that "soaring health care costs make our current course unsustainable," and that policies must be developed to decrease health care costs to avoid government insolvency or the rationing of health care services; and

WHEREAS, adjusting for the growing population, the dollar level of expenditures on health care has exceeded the growth in overall consumer prices in the economy every year for nearly the past 50 years, an unsustainable trend; and

WHEREAS, in 1960, the private sector funded over three-quarters of the nation's health care expenditures and individuals paid nearly one-half of the total national health care expenditures through out-of-pocket expenditures; and

WHEREAS, beginning in 1967, the manner in which health care was purchased in the U.S. began a complete reversal such that the private sector has been slowly funding less and less of the total national health care expenditures; and

WHEREAS, in 2007, less than 54 percent of total national health care expenditures were paid for by the private sector; and

WHEREAS, reciprocally, the public sector has been slowly funding more and more of the total national health care expenditures; and as of 2007, public expenditures at the federal and state levels now fund nearly one-half of the total health care expenditures in the United States; and

WHEREAS, total out-of-pocket expenditures have been plummeting as a share of total health care expenditures at an even faster rate; and

WHEREAS, currently, slightly more than \$1 out of every \$10 spent on health care is being funded by individuals through out-of-pocket expenditures resulting in a large and growing government "health care wedge," known as an economic separation of effort from reward, of consumers (patients) from producers (health care providers), primarily caused by government policies; and

WHEREAS, rising government expenditures on health care are a primary factor driving the growth in the "health care wedge," leading it to serve as a primary driver in rising overall health care costs; and

WHEREAS, recent state legislation has sought to make health insurance more affordable through various measures, including creation of a uniform group health application to allow for easy health care plan shopping, and adding flexibility in health plans through the creation of "mandate light" policies available to small employer groups under traditional health insurance, preferred provider contracts, or health maintenance organization subscription contracts that allow businesses to select the types of coverage and mandated benefits they choose that allow pooling of business and industry groups; and

WHEREAS, Virginia should continue to seek all reasonable avenues to make health care more affordable and accessible while maintaining quality; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Secretary of Commerce and Trade, in consultation with the State Corporation Commission, appropriate business and trade associations, and independent agent trade organizations be requested to develop a blueprint for greater health insurance choice in the Commonwealth. The roadmap should be based on, but not limited to, the current market availability of health insurance for small employer groups in Virginia. In developing the roadmap, the Secretary of Commerce and Trade shall create materials that demonstrate, both to currently licensed and unlicensed health insurers, Virginia's competitive business environment, inclusive of recent legislation making health insurance more affordable.

The Secretary of Commerce shall submit to the Division of Legislative Automated Systems an executive summary and report of his progress in meeting the request of this resolution no later than the first day of the 2011 Regular Session of the General Assembly. The executive summary and report shall be submitted for publication as a report document as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

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