

House Bill 4111

A health care exchange is coming to Michigan. Our job now is to do everything we can to protect Michigan's hard-working taxpayers.

After the Supreme Court made its ruling and President Obama was reelected, federal law is settled. We will have a health exchange in Michigan of some kind. Our option is between doing nothing, allowing the federal government to set up its own version, or allowing the governor to set up a partnership with the federal government that leaves Michigan some control over the process.

We cannot close our eyes, plug our ears and pretend the federal government isn't doing this to us. Preparing now and making the best of this situation is simply the right thing to do.

These are the key differences between our two options:

	Do Nothing	House Bill 4111
Michigan's 200,000 residents who work as insurance agents	Federal workers and community organizers will come to Michigan to direct families' health care decisions with no local oversight.	The exchange would help retain a role for Michigan's insurance agents, who work in our communities and understand our needs.
Government red tape	Double regulations on Michigan insurance agents, who must comply with new federal rules that could put them out of business.	Michigan will be the only regulator, meaning our insurance agents already qualify and can stay in business.
Michigan non-profits	The federal government doesn't care about local non-profits and charitable organizations.	We can highlight Michigan's local options and work with local organizations to help people get insurance.
Accountability	Federal bureaucrats don't have to answer to anyone but President Obama.	Michigan's state government answers to the people of Michigan.
Local control	We surrender 100% control over our health care decisions to Washington, D.C.	Michigan will keep some control over the exchange, as much as humanly possible.
Customer service	Residents can call Washington, D.C. and leave a message with a bureaucrat's office.	Residents can call their local state representative for help or ask them questions at their regular office hours in the district.
Necessary spending on IT upgrades	IT upgrades mandated by the federal government are necessary to continue qualifying for Medicare funds. Michigan will have to pay for these upgrades.	IT upgrades mandated by the federal government are necessary to continue qualifying for Medicare funds. We make the federal government pay for these upgrades.
Small business taxes	Michigan's small businesses will continue to pay Obamacare's new taxes, but Michigan will have no say in the program.	Michigan's small businesses are already paying the new federal taxes, so they should have a say in their investment.

We are still opposed to Obamacare and its one-size-fits-all mandates on the states. But an exchange is coming to Michigan, whether we like it or not, and this bill will help us soften the blow on Michigan's taxpayers and consumers.

House Republicans are working hard to protect Michigan taxpayers from this federal overreach. We amended the bill to include the following consumer protections:

- Michigan insurers and HMOs are allowed to sell insurance outside the exchange, if they want.
- The state department overseeing the program will provide a detailed spending report of the grant dollars to the Legislature this fall.
- The state department overseeing the program will highlight Michigan-based resources so it can better serve the best interests of Michigan residents.
- The state department overseeing the program will make sure federal workers are only indirectly involved in the sale and negotiation of insurance plans. This will limit their involvement to helping with enrollment and determining if residents are eligible for assistance.
- The state department overseeing the program will make sure licensed Michigan insurance agents can offer the same products offered on the exchange.
- The state department overseeing the program will make sure federal workers are required to carry insurance and have similar penalties for mistakes that are standard for local insurance agents.
- The state department overseeing the program will ensure proper training and oversight over federal workers.
- The state department overseeing the program will look for more federal financing to upgrade and develop the necessary information technology systems and infrastructure, as well as additional funding for consumer protection and assistance.
- The state department overseeing the program will create a consumer complaint process for people to report inappropriate practices by the federal workers.
- The state department overseeing the program will protect the privacy of Michigan residents.
- Federal workers must undergo criminal and regulatory background checks before being allowed to operate in Michigan.