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New state insurance commissioner terminates \$637K federal health care grant

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Wisconsin's insurance commissioner has terminated a \$637,114 grant issued through the federal health reform law, part of \$86 million awarded to the state, some of which also could be in question.

Ted Nickel, the Commissioner of Insurance appointed last month by Gov. Scott Walker, has ended a Consumer Assistance Grant announced in October to help people enroll in health coverage and file complaints under the new law.

In a statement Thursday, Nickel said the program is "largely duplicative and unnecessary ... We believe that saving taxpayers, whether they are federal or state taxpayers, from unnecessary spending is in everyone's best interest."

Bobby Peterson, executive director of ABC for Health, a non-profit law firm in Madison, had a contract to receive \$238,000 of the grant to help people choose among public and private insurance options and appeal denials of care.

Now fewer people will know how to find the best coverage, Peterson said, especially when insurance marketplaces known as exchanges are formed by 2014.

"It's another one of the stakes that are being driven into health care reform in Wisconsin," he said.

Attorney General J.B. Van Hollen said last week that in Wisconsin, "the federal health care law is dead — unless and until it is revived by an appellate court."

Van Hollen was responding to a federal court judge's ruling in Florida that the law is unconstitutional because it requires most Americans to buy insurance or face penalties. Wisconsin, one of 26 states in the lawsuit, joined the case after Walker, a Republican, took office in January, replacing Democratic Gov. Jim Doyle.

Another federal judge has deemed part of the law unconstitutional, while two others have found the law constitutional. The issue is expected to be decided by the U.S. Supreme Court, perhaps next year.

Walker created an Office of Free Market Health Care last month to "free Wisconsin from establishing a health benefit exchange," opposing a major component of the health care law.

Of \$86 million awarded to the state so far in health reform grants, \$1 million is for planning an exchange, among the funds that could now be in question.

Another \$1 million, awarded to the insurance commissioner's office to review insurance rate increases, will be kept, Nickel said. He called it "an important tool in maintaining the competitive health insurance marketplace in Wisconsin."

Some \$73 million is to expand the state's Health Insurance Risk-Sharing Plan, for people whose medical conditions make it hard to get insurance individually.