

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporations- includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

ALEC's Corporate Board -in recent past or present

- AT&T Services, Inc.
• centerpoint360
• UPS
• Bayer Corporation
• GlaxoSmithKline
• Energy Future Holdings
• Johnson & Johnson
• Coca-Cola Company
• PhRMA
• Kraft Foods, Inc.
• Coca-Cola Co.
• Pfizer Inc.
• Reed Elsevier, Inc.
• DIAGEO
• Peabody Energy
• Intuit, Inc.
• Koch Industries, Inc.
• ExxonMobil
• Verizon
• Reynolds American Inc.
• Wal-Mart Stores, Inc.
• Salt River Project
• Altria Client Services, Inc.
• American Bail Coalition
• State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. DO YOU?

Home -> Model Legislation -> Health and Human Services

Resolution on Stop-Loss Insurance

Did you know that global pharmaceutical company Bayer Healthcare was the corporate co-chair in 2011?

Summary

This Resolution encourages state legislators not to support legislation or regulation that would impose arbitrary limits on stop-loss coverages issued to self-funded plans. By guarding against such legislation, the preservation of a free-market, voluntary employer-based health benefit system is maintained.

Model Resolution

WHEREAS, one of five, or 51 million Americans, are enrolled in self-funded health benefit plans, and

WHEREAS, three of four self-funded employers purchase stop-loss coverage for their health benefit plans, and these plans protect consumers by paying in excess of \$100 billion in health benefits to employees and their families, and

WHEREAS, one of three small business establishments with fewer than 100 employees self-fund their health benefit plans, which are covered under the Employee Retirement Income Security Act (ERISA), and

WHEREAS, impairment of a free-market, voluntary employer-based health benefit system would potentially result in higher benefit plan costs for employers and higher costs and reduced coverage for employees and their families, and

NOW THEREFORE BE IT RESOLVED, that the {insert state legislative body} encourages state legislators not to support state legislation or regulations that would hurt employees and their families by imposing arbitrary limits on stop-loss coverages issued to self-funded plans, and

BE IT FURTHER RESOLVED, that {insert state legislative body} believes in the preservation of a free-market, voluntary employer-based health benefit system in which employers prudently choose to self-fund health benefits for their employees and their families at financially viable risk retention levels

1996 Sourcebook of American State Legislation

About Us and ALEC EXPOSED. The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECExposed.org. For more information contact: editor@prwatch.org or 608-260-9713.

Center for Media and Democracy's quick summary

This anti-regulatory Resolution is aimed at limiting state regulation of certain insurance plans that had previously "fallen through the cracks" of state and federal law. Many employer-sponsored health plans are self-insured, and many purchase commercial stop-loss coverage to limit significant losses from those plans (similar to an individual purchasing catastrophic insurance). While federal ERISA law preempts state regulations on self-insured employee benefit plans, it has been unclear whether state regulations on stop-loss plans were preempted.

This Resolution stakes out a precarious position in its effort to oppose regulation. Because ALEC claims to be "pro-federalist," it likely does not want to accept federal preemption of state law; at the same time, ALEC wants to oppose regulation of the insurance industry (members of which sit on ALEC's corporate board). The Resolution mentions that small businesses purchasing stop-loss insurance are covered by ERISA, but opposes regulation not on preemption grounds, but for the "preservation of a free-market, voluntary employer-based system."