

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 Preserving States' Rights Regarding Federal Health Insurance Exchanges and a Public Plan

SUMMARY

This resolution urges Congress not to institute new federal review, oversight, or preemption of state health insurance laws as Congress considers health care reform. The creation of a new federal system of regulation for health insurance would be inefficient, unnecessary, not cost-effective, and an additional burden on the health care delivery system. Further, this resolution urges Congress not to create a new federal health insurance "exchange" or "connector" and not to create a new government-sponsored health insurance plan (public plan). Some health care reform proposals would include the creation of a federal exchange or connector to help individuals and small businesses purchase health insurance and would also include a public plan designed to compete against private plans, modeled on Medicare, and with the federal government administering the plan and determining benefits, premiums, and payments to physicians, hospitals, and other providers. Both proposals represent a federal takeover of states' current role in regulating health insurance.

MODEL RESOLUTION

WHEREAS, The Tenth Amendment to the United States Constitution states that, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people;" and

WHEREAS, The states primarily regulate today's health insurance market and provide aggressive oversight of all aspects of this market and enforce consumer protection as well as ensure a local, responsive presence for consumers; and

WHEREAS, The state-based system of regulation of health insurance has served all interests well; and

WHEREAS, The U.S. Congress is considering legislation that may impose restriction on the states' ability to regulate health plans, including overriding already adopted state patient protections; and

WHEREAS, The federal government should regulate health plans only where they are given authority under the Employee Retirement Income Security Act (ERISA) and allow the states to continue to regulate all other plans within their borders and with their existing regulatory expertise without federal intervention; and

WHEREAS, The creation of a new federal system of regulation for health insurance would be inefficient, unnecessary, not cost-effective, and an additional burden on the health care delivery system; and

WHEREAS, Private sector health plans are leaders in innovations to improve quality, benefits, and customer service that government-sponsored health plans have been slow to adopt; and

WHEREAS, Congress is considering legislation that would create a federal health insurance exchange or connector to facilitate the purchase of health insurance by individuals and small employers, including offering a new public plan option; and

WHEREAS, A federal exchange would create conflicting state and federal rules, resulting in consumer confusion and leading to adverse selection; and

WHEREAS, A federal exchange would require substantial resources to create a new federal entity that duplicates functions currently performed by states; and

WHEREAS, A federal exchange would undermine states' oversight role in health insurance and cause a substantial shift in the regulation of the health insurance market from the states to the federal government; and

WHEREAS, A federal exchange would undermine state authority to design programs that reflect local needs; and

WHEREAS, A new public plan would not improve competition, but would result in an uneven playing field that would shift costs to the private sector and undermine private plans; and

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

WHEREAS, A new public health insurance plan would be subject to constant federal changes; and

WHEREAS, A new public plan is unnecessary in light of the private sector's product offerings and innovations.

NOW THEREFORE BE IT RESOLVED THAT the legislature of the state of **{insert state}** urges Congress not to institute new federal review, oversight, or preemption of state health insurance laws; not to create a federal health insurance exchange or connector; and not to create a federal health insurance plan (public plan) option.

BE IT FURTHER RESOLVED THAT copies of this resolution will be distributed to all Governors and all Members of the U.S. Senate and U.S. House of Representatives.

*Adopted by the Health and Human Services Task Force
May 1, 2009.*

*Approved by the American Legislative Exchange Council's Board of Directors
June 6, 2009.*

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.