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**BAUCUS LOOKS AT REFORMING HEALTH INSURANCE  
MARKET TO LOWER COST, INCREASE ACCESS TO COVERAGE**

*Review of structure, regulation in health insurance market continues Finance  
Chairman's health reform hearing series*

*Washington, DC* – Senate Finance Committee Chairman Max Baucus (D-Mont.) today held a hearing to explore why health insurance coverage is so difficult for many individuals and small groups to obtain in the current market. Baucus's hearing explored the structure of the current insurance market, in which coverage is provided based on the size of the group – large, small, or individual – and asked how regulation of those markets affects access and affordability of coverage. Baucus said denial of coverage to individuals in less regulated markets and increased costs in all markets are chief among the reasons that the insurance market is in need of reform. Today's hearing, entitled "Covering the Uninsured: Making Health Insurance Markets Work," was the eighth in Baucus's year-long study of health reform issues designed to prepare the panel for congressional action in 2009.

**"Clearly, the individual market for health insurance is broken. In group markets, Congress has enacted several laws to govern insurance practices. But small companies who want health coverage for their employees still have to struggle mightily to offer insurance,"** said Baucus. **"We will explore ways to make health insurance markets work better."**

Baucus asked witnesses about the challenges facing the current insurance market that prevent millions of Americans from accessing health insurance. Witnesses described the current insurance market, how it is regulated, and the winners and losers it creates, and they presented their ideas for increasing access to insurance at a national level. Baucus asked about experiences with state-level changes in insurance regulation that enabled expanded coverage. He heard testimony from Andrew Dreyfus, the Executive Vice President of Health Care Services for Blue Cross Blue Shield of Massachusetts, about that state's health reform plan and how those lessons and experiences could be applied to health care reform at the federal level. Mr. Dreyfus discussed the importance of insurance market reform as a foundation for achieving more accessible, affordable insurance in Massachusetts through the landmark insurance reform law in that state.

**"We already had significant insurance market reform,"** said Dreyfus. **"The insurance market reform that was part of this [2006] law was the combining of the individual and small group markets, and that in itself has been successful so far. The other insurance rules were foundational to our reform law."**

Baucus has called 2008 a learning year in the Senate Finance Committee, a time to prepare for comprehensive health reform in 2009. Throughout the year, Baucus has held numerous hearings, roundtables, and events, including a day-long, bipartisan summit in June with Finance Ranking Member Chuck Grassley (R-Iowa). This is the third health reform hearing Baucus has held this month. Baucus has said the panel will plan additional hearings if time permits.

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