



The Path Forward: Recommendations for a Stable and Sustainable Insurance Marketplace

Blue Cross and Blue Shield of Texas (BCBSTX) believes that individuals are best served by a competitive, private health insurance market that offers consumers the choices they want, at a price they can afford. Further, health care coverage must be accessible to as many people as possible. While BCBSTX has made great strides in expanding access to health insurance across the state, many people who do not get coverage through their employers still have trouble affording individual market coverage.

BCBSTX, in conjunction with the Blue Cross Blue Shield Association (BCBSA), has articulated a path forward and has been sharing recommendations with policymakers in Washington to create a stable and sustainable individual market. These principles highlight the changes needed to achieve a thriving, competitive private health insurance market and are the foundation of BCBSTX's advocacy efforts. Here is a high-level summary of our recommendations:

- **Stabilize the individual market**, including maintaining cost-sharing subsidies for lower-income individuals, at least during a transition; providing reinsurance payments consistent with the levels already included in premiums; and allowing more flexibility for grandfathered and grandmothered plans, so consumers can keep plans that they like.
- **Return regulatory authority for insurance to the states so they can resume their traditional role**, particularly with respect to rate review, benefit design, provider network adequacy, and small employer market rules.
- **Provide funding for mechanisms that make premiums more affordable** by broadly and fairly spreading the costs of high claims across the individual market.
- **Establish incentives for individuals to maintain continuous coverage throughout the year**, including changing open enrollment so everyone's coverage starts on January 1, and verifying eligibility for special enrollment periods, just like employer and government plans like Medicare already do.
- **Improve the rules for health savings accounts** so that consumers have more flexibility for saving and paying for their out-of-pocket costs, including premiums.