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CONTACT:

Karyn Price, Hamilton Strategies, kprice@hamiltonstrategies.com, 610-584-1096 (office), 215-858-1184 (mobile)

Deborah Hamilton, Hamilton Strategies, DHamilton@HamiltonStrategies.com, 215-815-7716 (mobile), 610-584-1096 (office)

Revised Deadline to Declare State Health Insurance Exchange Intent Approaches; CCHF Cites Astronomical Costs as Another Reason For States to Decline

State Exchanges Estimated to Cost from \$15 to \$300 Million Annually; States Ponder the Cost as December 14th Deadline Approaches

Key Facts:

- The extended deadline given by the U.S. Department of Health and Human Services for states to declare their intentions with regard to a state health insurance exchange is Friday, December 14, 2012.
- By the deadline, HHS wants states to declare their intentions with regard to a state-run health insurance exchange.

The *Citizens' Council for Health Freedom (CCHF)* continues to urge refusal by states, citing not only federal control, but astronomical costs.

ST. PAUL, Minn. – The new, extended deadline for states to declare their intentions with regard to a state health insurance exchange is December 14, by which time the U.S. Department of Health and Human Services (HHS) has asked states to declare whether they intend to shoulder the responsibility of creating and operating an ACA health insurance exchange in their state. Costs are determined by a state's population and the anticipated usage of the Exchange, with costs estimated to be between \$15 million for very small states with low populations, to upwards of \$300 million for heavily populated states like California. The costs are not only staggering, but could decimate the budgets and financial standing of states already struggling under a difficult economy. Unless, of course, states foist the bill onto struggling citizens through a surcharge on insurance premiums – a move already under consideration in Florida and California.

The [Citizens' Council for Health Freedom \(CCHF\)](#) continues to urge states to refuse to implement Obamacare Exchanges, citing the damage to doctor/patient relationships and to quality of care, the astronomical cost to states, the federal controls, and the significant privacy and personal data breaches that are expected within the Obamacare exchanges.

“The ACA exchanges, at an estimated cost of \$15 million for small states to \$300 million for large ones, will decimate states already struggling under the burden of a slow economy,” said Twila Brase, President of the Citizens' Council for Health Freedom. “Take California, which is already approaching bankruptcy and estimates that their state exchange will cost \$300 million to create and operate. Can taxpayers afford the fee premiums required to cover the cost for an ineffective, government-run exchange when there are private alternatives available that offer the same easy access to coverage without government intrusion into health care?”

According to the *CCHF*, states have three options on December 14 if they want to protect their state and its citizens as it relates to healthcare. States that have not yet responded to the HHS can:

- Refuse to respond to the HHS request for an update regarding their health insurance exchange intentions, as nothing in law compels them to do so,
- Respond that they will not implement an exchange, as there is nothing in statute compelling them to create or operate one, or
- Allow the HHS to implement an exchange, and be as passive as possible, offering no assistance, IT connections, dollars or data as the HHS pursues implementation in their state.

“States should not commit themselves to funding this federal system for an annualized operational expense of between \$15 million and \$300 million per year, since the cost will be transferred to its citizens,” Brase concluded. “States must assert their own sovereignty and stand up for the health, privacy and pocketbooks of their citizens.”

CCHF urges states not to cooperate in establishing exchanges, and certified mailed letters to every governor in the United States requesting that they refuse exchange implementation and cooperation. On December 14, states are being asked by HHS to communicate – either directly or through their silence – that they refuse to implement a state health insurance exchange.

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Twila Brase is president and co-founder of the *Citizens' Council for Health Freedom*. She has been called one of the “100 Most Powerful People in Health Care” and one of “Minnesota’s 100 Most Influential Health Care Leaders.” The Council’s efforts have stopped government-issued treatment directives, added informed consent requirements for access to patient data and defeated a proposed Health Insurance Exchange. Brase’s daily radio commentary, *Health Freedom Minute*, is a 60-second radio address on pressing health care issues. She has been interviewed by CNN, Fox News, Minnesota Public Radio, NBC Nightly News, NBC’s Today Show, NPR, New York Public Radio, the Associated Press, Modern Healthcare, TIME, The Wall Street Journal, The Washington Post and The Washington Times, among others.