

## \*\*\*NEWS RELEASE\*\*\*

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# Insurance Company Drops Obamacare!

*Citizens' Council for Health Freedom: Insurers Realizing That 'Business Model' of Government Health Care Doesn't Work*

**ST. PAUL, Minn.**—The insurance company with the most customers signed up through the state Obamacare health exchange in Minnesota, MNsure, has pulled out of the government health care plan, saying continuing into 2015 is “not sustainable.”

PreferredOne Health Insurance, the company with the lowest rates and the most customers, notified MNsure today that it will not return next year. The decision, according to KSTP-TV in Minnesota, is expected to have a major impact on health insurance customers and the governor's race.

PreferredOne, based in Golden Valley, Minn., also notified the Minnesota Department of Commerce of its decision via a letter. A PreferredOne spokesperson said the move was “purely a business decision,” adding that offering coverage through MNsure is “not administratively and financially sustainable going forward.”

Twila Brase, president and co-founder of *Citizens' Council for Health Freedom (CCHF, [www.cchfreedom.org](http://www.cchfreedom.org))*, a Minnesota-based national organization dedicated to preserving patient-centered health care and protecting patient and privacy rights, says this move by PreferredOne is evidence that insurance companies have realized that the government-run “business model” just isn't good business.

***“This is undoubtedly what happens when we depend on the government for health care coverage—we lose it,” Brase said. “Those who enrolled through PreferredOne must either change their Obamacare coverage in 2015 or stay with PreferredOne and lose any subsidies.***

***“PreferredOne has now discovered that Obamacare is broken and can’t possibly work,” she continued, “even with the \$25 billion reinsurance scheme to redistribute dollars between health plans that was put in place to keep premium prices low until enrollment for 2017, conveniently after the 2016 Presidential election.”***

A PreferredOne statement also revealed that while the individual products offered through MNsure reflect a small portion of customers, the government health plan is “taking a significant amount of our resources to support administratively.” The company also said MNsure was unable to effectively verify information submitted by enrollees, even through insurance companies are still required to accept and enroll them. As a result, the company ended up with enrollees who don’t even live in Minnesota in some cases.

As of Aug. 6, PreferredOne had 59 percent of the individual market MNsure enrollees. Blue Cross Blue Shield was a distant second at 23 percent, with HealthPartners, Medica and UCare much further back. PreferredOne had such a large share because it had the lowest rates of the five insurance companies in the program.

Brase added that other insurance companies may have to raise their rates as well to compensate for the increased amount of administrative work associated with government-run health care. Industry experts say rate increases could come as early as next month, which would have a significant impact on November elections and the candidates who backed Obamacare.

***“We hope that this move by PreferredOne will cause other insurance companies to rethink their participation in a failing government health care system as well,” she said.***

On Aug. 21, MNsure announced that more than 300,000 Minnesotans had enrolled for coverage through the state exchange. As of that date, 180,566 were enrolled in Medical Assistance; 65,749 in MinnesotaCare (expanded Medicare) and 53,770 in a Qualified Health Plan (QHP). These QHPs, or individual health plans, are offered through insurance companies partnering with the state exchange. One of those was PreferredOne, who had enrolled 59 percent of those individuals—or about 31,700.

Brase added that the Minn. Gov. Mark Dayton has called MNsure his greatest disappointment, and that this sentiment will only increase as insurance companies pull out of the state exchange and MNsure’s expensive unsustainable infrastructure starts to crumble.

***“What a waste of taxpayer dollars—at least \$150 million in federal grants, \$3.2million to Deloitte to try to fix the problem-ridden system, plus another \$40 million per year to run—and it’s really only served as an enrollment system for Medicaid,” Brase said. “Now, these individuals who enrolled in Obamacare must choose another coverage plan, and they may lose their doctor or hospital as a result. In the end, they will pay more than the ‘good deal’ they thought they had, and that extra money will go toward trying to prop up this state-funded data-collection—the IRS enforcement arm of the federal exchange.”***

*Celebrating its 20<sup>th</sup> year, Citizens’ Council for Health Freedom is a patient-centered national health freedom organization based in St. Paul, Minn. CCHF exists to protect health care choices and patient privacy. CCHF sponsors the daily, 60-second radio feature, Health Freedom Minute, which airs on more than 150 stations nationwide on the American Family Radio Network and 90-plus stations on the Bott Radio Network. Listeners can learn more about the agenda behind proposed health care initiatives and steps they can take to protect their health care choices, rights and privacy.*

*CCHF president and co-founder Twila Brase, R.N., has been called one of the “100 Most Powerful People in Health Care” and one of “Minnesota’s 100 Most Influential Health Care Leaders.” Brase, a public health nurse, 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. She is at the forefront of informing the public of crucial health issues, such as intrusive wellness and prevention initiatives in Obamacare, patient privacy, informed consent, the dangers of “evidence-based medicine” and the implications of state and federal health care reform.*

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*For more information or to interview Twila Brase, president and co-founder of Citizens’ Council for Health Freedom, contact Deborah Hamilton, Hamilton Strategies, 215.815.7716, 610.584.1096, [DHamilton@HamiltonStrategies.com](mailto:DHamilton@HamiltonStrategies.com).*