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Bill Would Crack Down on “Junk” Health Insurance

A proposed bill in the state legislature is taking aim at so-called “junk” health insurance policies that cost lots of money but offer little coverage.

By Kelley Weiss

Laura Burwell of Chico owns a small wine shop. Last summer a rattlesnake bit her while she was gardening. She got treatment at the hospital and racked up a \$70,000 bill. Burwell had insurance on the individual market – meaning she bought it on her own. She says she was surprised the policy only paid \$3,000 of her bill.

“I could not stay in business if I routinely sold vinegar labeled as wine but that is what the insurance companies are doing.”

Almost three million Californians are in the individual market and that number is growing as more people lose their jobs. Legislation proposed by **Democratic Assemblymember Dave Jones** would regulate plans on the individual market and require a minimum level of health benefits. He also wants to make it easier for consumers to compare plans.

But the insurance industry says Jones’s measure would raise prices and make it harder for Californians to get coverage.

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