

Will AZ106 Affect My Health Care?

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ON NOV. 2, ARIZONA VOTERS successfully

passed Proposition 106. The bill will amend the Arizona Constitution by:

- Allowing individuals and employers to pay providers directly for health care without penalty or fine.
- Prohibiting any rule or law from compelling individual participation in any particular health care system.
- Allowing direct payment to a health provider for any lawful service.
- Providing for the purchase and sale of health insurance in private health care systems without prohibition by rule or law.

The proposition was authored in early 2009 as a preemptive strike against the Patient Protection and Affordable Care Act (PPACA). It was drafted in response to fears the PPACA would institute a government-run health care plan—known as a “public option”—as well as federal mandates to compel most Americans to buy health insurance or face weighty penalties. Since its passage, we know that the PPACA did not offer a public option. It did, however, create sweeping changes to national health care policy.

So how does Proposition 106 affect you and your business or family? Does it complement the PPACA or are they at odds?

Here are answers to some common questions.

How does this affect my current health care or insurance policy?

It doesn't.

Proposition 106 expressly states that the amendment will not affect which services health care providers are required to supply, nor will it impact which services are required by law. You are still allowed to pay for your health care through insurance, to the provider directly, or as a combination of both.

It also means that you are allowed to buy any legal health care service, and no government entity can prevent you from doing so.

How does Proposition 106 affect me if I'm uninsured?

It doesn't yet. However, under the PPACA, beginning in 2014, “most individuals will be required to maintain minimum essential coverage or pay a penalty.”

Meanwhile, Prop 106 “prohibits any rule or law from compelling individual participation in any particular health care system.” If Prop 106 stands, it will stop the federal government from fining Arizonans who choose to live without health insurance.

What does this mean for my workers compensation benefits?

It has no effect.

What if I now receive benefits from AHCCCS?

In 2008, a proposition similar to 106 failed to pass due to concerns it would affect patient services for those enrolled in AHCCCS. Framers of Prop 106 listened to concerns about the previous initiative and addressed them.

Federal law supersedes state law. Can Arizona do this?

Arizona can pass the proposition, but whether the amendment will hold up over the long term has yet to be seen. According to the United States Constitution's Supremacy Clause, any federal law trumps any conflicting state law.

Some legal experts predict federal law will win out—after extended and expensive litigation—making the proposition more symbolic than anything else.

Symbolic of what? Many see government health care mandates as a violation of individual freedoms. Proposition 106 is meant to preserve our freedom to choose how and when we seek and pay for health care services. Proponents argue that while costs may rise, the preservation of our individual liberties supersedes the fiscal costs.

Is this proposition good for Arizona? Only time will tell. ■

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