

*As Farm Bureau president, Keith Olsen of Grant serves on the board of directors of Blue Cross and Blue Shield of Nebraska, which administers the group health plan available to Farm Bureau members. In this news release, Olsen is commenting only on behalf of Nebraska Farm Bureau.*

A Congressional Budget Office report released Nov. 30 confirms Nebraska Farm Bureau's concern that farmers and ranchers and other self-employed workers will pay more under the health insurance reform bills now making their way through Congress.

"Forty-six percent of Nebraska farmers and ranchers currently buy their health insurance on an individual basis directly from an insurer," said Keith Olsen, Nebraska Farm Bureau president.

"Under the legislation, individuals who do not receive health insurance from an employer would be able to purchase their coverage through an 'exchange.'"

□ "CBO found that health care premiums costs would be 10 to 13 percent higher for those who purchase insurance directly from insurance companies in 2016, when the bill would be implemented, than if the current system was retained."

□ Other studies conducted on similar reform measures have indicated even higher premium increases in this particular market.

According to CBO, 57 percent of the 31 million people who would buy insurance through the new exchange system would be eligible for federal subsidies to help.

"It is still unclear as to who would qualify for these subsidies—which means health insurance could still be unaffordable for many because of the higher premiums this bill would initiate,"

Olsen said.

Commodity markets set prices and determine the income of farmers so they can't pass their increased costs to their customers, he emphasized.

"Under the proposals, everyone must buy insurance because they would be subject to a penalty if they don't," Olsen said.

In the Senate bill, the penalty is 2.5 percent of income annually. Both House and Senate bills provide for hardship waivers, he said, but it's highly unlikely that every affected farmer would receive a waiver.

"The uncertainties of the proposals reinforce Farm Bureau's belief that we should build on our current health care delivery system instead of making these extraordinary changes."