

*The President should support and
Congress should pass*

EQUAL Health Reform That Meets Our Needs

The House bills offer more secure coverage, more affordable health care and medicines, better quality of care, improved preventive care and public health protections. Employers will have to contribute to the costs of insurance. Insurance company regulations will be tightened so that people cannot be denied coverage due to pre-existing conditions, and companies can't rescind payment for your treatments mid-stream.

Here's how we can do better!

- **A strong public plan option**
 - Starts right away
 - Anyone can join
- More Affordable: Eliminate age rating
- Insurance company care share (loss ratio) 90%
- Expand Medicaid, at federal expense (not state)
- Women's health: Assure women have access to reproductive services. Respect women's decisions.
- Legal immigrants: Eligible for benefits immediately

Keep what works:

- Pass Dennis Kucinich's **state single payer** amendment **as part of the health reform bill**
- **Strong public plan**
 - Include all Medicare providers as a base
 - Reimbursement rates tied to Medicare
 - Nationally administered
- Premium subsidies up to 400% FPL, to 11% of income
- Public health: Shifts resources to wellness, prevention

EQUAL Health Reform That Meets Our Needs

Fight to keep what works in the bills we have:

- Regulate insurance: No denials for pre-existing conditions. Once you're covered, you stay covered.
- Pass Dennis Kucinich's **state single payer** amendment **as part of the health reform bill**. Some states that have attempted to expand health care coverage have been successfully challenged in court under the Employee Retirement Income Security Act (ERISA), which says that only the federal government can pass laws "related to" employee benefit plans. The House bill would allow single payer states to override ERISA.
- Public health: HR 3200 and the Senate bills shift resources to wellness and prevention.

Here's what we must have!

A stronger public plan option. For too many of us, insurance doesn't work or isn't available or affordable. We need an affordable, dependable public plan that is **open to anyone**, and **starts right away**.

Putting federal spending in perspective: Partly to minimize federal outlays, HR 3200 delays the public plan until 2013, and it only covers individuals and small businesses initially. In fact, starting the public plan sooner, with higher enrollment, will be key to controlling costs. The Congressional Budget Office estimates that HR 3200 will require \$1 Trillion in new federal expenses over 10 years, for subsidies and other benefits. This is equal to \$100 Billion a year, or only 4% of current annual spending of \$2.5 Trillion. An effective public program will have lower administrative expenses, provide competition to private plans, and act as a countervailing force against health care expenses that are rising twice as fast as inflation. It should be open as a choice to everyone, and very soon.

- **Use Medicare's reimbursement rates:** The public plan will only control costs overall if it builds on the public sector's leverage. It would save \$75 billion over 10 years if it **uses Medicare rates**, vs. only \$20 billion at most if it negotiates rates independently as proposed in Blue Dog amendments.
- **Use Medicare's provider network:** The public plan should **include all Medicare providers** as a base. They can be allowed to opt out. (Included in Energy and Commerce bill as an amendment.)

Insurance company care share (loss ratio) 90%. Insurance companies now spend up to 30% of our premium dollars on administration, profits and bonuses. This feature would require them to spend 90% of our money on actual patient care. One version of HR 3200 would require a limit of 85%, but only for insurance plans that are part of the new Health Insurance Exchange, which would start in 2013.

Real affordability: The "affordability threshold" for premiums must remain 11% of adjusted gross income, and sliding scale subsidies must be provided up to 400% of the Federal Poverty Guidelines.

Eliminate age rating. HR 3200 allows insurance companies to charge older people at least twice as much as younger ones. Senator Baucus' mark would allow charges up to 5 times higher based on age, tobacco use, and family size. Age rating will cost everyone more, and is a loophole for the for-profit insurance industry. While a few will pay the lowest premium, premiums for most will rise sharply. **Community rating works.** If everyone pays the same, risk is fairly spread. Insurers already use community pooling for large group, employer-sponsored insurance, under which most Americans with private insurance are covered.

Women's health: Assure women have access to reproductive services. Respect women's decisions.

The **EQUAL Coalition** includes public health, women's groups, and advocates for Equitable, Quality, Universal, Affordable health care. * The **Center for Policy Analysis** www.centerforpolicyanalysis.org * The **California Public Health Association-North** an affiliate of the American Public Health Association www.cphan.org * **Rekindling Reform** www.rekindlingreform.org * **Older Women's League San Francisco** * **California Women's Agenda** To Join the EQUAL Listserv, send a message to: ershaffer@gmail.com 415-922-6204