Health Insurance Reform

For the past year, Congress has been considering various proposals to reform our nation's health care system in order to ensure that Americans have access to quality, affordable insurance. All of these proposals would build on the existing employer-based system, and would guarantee that if you like the health insurance you already have, you can keep it. The proposals would also:

- Cut health care costs for families and small businesses
- Increase price competition to bring down the cost of private insurance
- Preserve choice of insurer and provider
- Protect and strengthen coverage for seniors
- Prevent discrimination based on pre-existing conditions, medical history, or gender
- Prevent annual and lifetime caps on coverage

Two Senate committees have jurisdiction over health reform legislation: the Health, Education, Labor, and Pensions (HELP) Committee, of which I am a member, and the Finance Committee. Both of these committees have spent the past year crafting legislation that would make long-overdue improvements to our nation's health care system.

After months of consideration – and some of the longest public editing sessions, or "mark-ups," in Congressional history – both committees produced legislation that would help the millions of Americans who lack access to affordable insurance, provide tax credits to help small businesses afford insurance for their employees, implement new insurance market regulations that would stop insurance company abuses, extend the life of Medicare, and provide seniors with relief from expensive prescription drug costs. Legislation produced by these committees incorporated ideas from all ends of the political spectrum. For instance, during HELP committee consideration, more than 160 Republican amendments were adopted.

For the complete text of the HELP Committee legislation, please visit www.help.senate.gov. For the complete text of the Finance Committee bill, please visit www.finance.senate.gov.

Majority Leader Harry Reid (D-NV) was then tasked with taking the best parts of both bills and producing a final Senate bill, the "Patient Protection and Affordable Care Act." You can read this bill by visiting http://democrats.senate.gov and you can also review the projected costs and savings generated by the bill by going to www.cbo.gov. The Senate began debating the "Patient Protection and Affordable Care Act" on November 21, 2009, and it passed 60-39 on December 24, 2009. The Senate must now work with the House to produce a final bill.

For information on the health reform bill that was passed in the House of Representatives in November, please visit: http://www.speaker.gov/newsroom/legislation?id=0327.

I realize that there are many questions circulating about this legislation. Please see the list of frequently asked questions below for the answers. If your question is not on the list, please feel free to contact my office directly. And for specific information on what health insurance reform will mean for our state of Ohio, see www.healthreform.gov/reports/statehealthreform/ohio.html.

Frequently Asked Questions

1) How would health reform benefit me?

- **No Exorbitant Out-of-Pocket Expenses or Co-Pays:** Insurance companies would have to abide by yearly caps on how much they can charge for out-of-pocket expenses. This would help protect Americans against going bankrupt because of high medical costs.

- **No Discrimination for Pre-Existing Conditions:** Insurance companies would be prohibited from refusing you – or your children – coverage because of your medical history.

- **No Rejections Because of Medical History:** Insurance companies would be required to provide coverage as long as the policyholder pays his or her premium in full. Insurance companies would not be allowed to refuse or water-down coverage because someone gets sick, or was sick in the past.

- **No Cost-Sharing for Preventive Care:** Insurance companies would have to fully cover, without charge, regular checkups and tests that help prevent illness, such as mammograms or colonoscopies.

- **No Gender Discrimination:** Insurance companies would be prohibited from charging you more because of your gender.

- **No Annual or Lifetime Caps on Coverage:** Insurance companies would be prevented from placing annual or lifetime caps on the coverage you receive.

- **No Dropping of Coverage:** Insurance companies would be prohibited from revoking coverage from people just because they become seriously ill.

- **Longer Periods for Young Adults to Stay on Parent's Coverage:** This legislation would allow young adults to stay on their parent's health plans until age 26.

- **No Discrimination on the Basis of Participation in Clinical Trials:** Insurance companies would be prohibited from dropping coverage for beneficiaries who enroll in clinical trials for life threatening conditions.

2) Why does Ohio need health reform?

- Since 2000, average family premiums have increased by 92 percent in Ohio.

- Household budgets are strained by high costs: 20 percent of middle-income Ohio families spend more than 10 percent of their income on health care. Twelve percent of Ohioans report not visiting a doctor due to high costs.

- Ohioans cannot afford the status quo. Every day, 390 Ohioans lose their health insurance.

- 11 percent of people in Ohio are uninsured, and 64 percent of them are in families with at least one full-time worker.

- Right now, providers in Ohio lose more than $2.2 billion in bad debt. And that's only part of the story. Most care provided to individuals without insurance – you may have heard it called "uncompensated care" – is shifted to insured Americans, increasing their premiums by $1,100 a year.

- Tackling uncompensated care will not only reduce private insurance premiums, it will dramatically reduce the bad debt burden for Ohio's 171 hospitals, 38,566 physicians, and the thousands of other health care facilities and providers serving you in Ohio.

- The need for health reform in Ohio is clear. The status quo might work for large insurance companies, but it does not work for middle-class Ohioans.

3) What would happen if we do nothing?

- **Premiums will skyrocket:** Without change, average family premiums will almost double in less than a decade from $13,244 in 2008 to an estimated $24,291 in 2016.

- **Working families will continue to have no protections in a recession:** For almost every working family, the loss of a job in the economic downturn means the loss of health care coverage. When illness strikes, families who once were comfortably in the middle class can be driven into bankruptcy or homelessness by un-payable medical bills. Health reform will ensure that loss of a job no longer mean loss of health care coverage.

- **More Uninsured:** Without reform, the number of uninsured will rise from 47 million in 2009 to an estimated 54 million by 2014.

- **Economic Losses:** The nation suffers as much as $207 billion each year in lost economic productivity due to the poor health and shorter lifespan of the uninsured, or $4,541 per uninsured American.

4) What if I like my current health insurance and don't want to change?

- Both the President and the Congress agree that health reform must fix what is broken, while being very careful to keep what works.

- Many people have health insurance that works for them. If you have health insurance that you like and want to keep, nothing in this legislation would change that.

- Instead, this legislation would ensure that if you lose your existing coverage, there will be quality, affordable alternatives for you to choose from. And for individuals and families who cannot afford insurance, this legislation would provide financial help.

5) Would health reform lead to rationing?

- Unfortunately, there is a lot of misinformation circulating about what this bill does.

- Opponents of health reform are trying to scare people into believing that this bill would somehow "ration" health care for those in need.

- None of the proposals pending in Congress would permit the government to ration health care, and I would oppose any bill that did.

- In fact, health reform would work to *combat* health care rationing by preventing insurers from excluding coverage for pre-existing conditions and from arbitrarily denying insurance claims.

6) Would health reform force older people to choose how they want to die?

- No. None of the health reform bills under consideration by the House or the Senate include a mandate that Medicare beneficiaries seek consultation on end-of-life decisions.

7) Won't health reform cost too much money?

- With health care spending exceeding $2 trillion a year and projected to reach $4.3 trillion in 2017, with employer-sponsored health insurance premiums more than doubling in the last nine years, and with half of all personal bankruptcies at least partly the result of medical expenses, the fact of the matter is that our country cannot afford NOT to fix our health care system.

- We MUST find ways to reduce the long-term growth of health care costs for families, businesses, and the government.

- The President and Congress have vowed that health reform would not add to the government's debt and therefore we have worked hard to identify how best to decrease spending while also improving the quality of health care in this country.

- Some of the cost-containing proposals we have included in health reform legislation include: increasing competition in the insurance market to bring spending down; reducing costly red tape that inflates provider charges and insurance premiums while subjecting patients and providers to needless hassle; tackling waste, fraud, and abuse, including Medicare and Medicaid scams that hurt enrollees and inflate taxpayer costs; reducing the amount of money spent on overpriced prescription drugs; combating chronic

diseases through cutting-edge prevention and disease management tools; and minimizing costly medical errors and hospital acquired infections.

- According to the Congressional Budget Office (the non-partisan organization charged with analyzing how legislation will affect our nation's budget), the "Patient Protection and Affordable Care Act" will reduce the deficit over the next10 years by $132 billion and could reduce the deficit by up to $1.3 trillion between 2019 and 2029.

- You can also review the details behind the projected costs and savings generated by the bills by going to www.cbo.gov.

8) How would health reform improve the quality of health care in this country?

- Health reform would promote best practices known to help patients, such as a safety checklist during surgeries. According to the *New England Journal of Medicine*, widespread use of checklists could save 28,000 lives a year and reduce health spending by $2.3 billion annually.

- Health reform would support medication management to stop prescribing errors, stopping injuries and saving as much as $12 for every $1 invested.

- Health reform would reduce hospital-acquired infections by requiring hospitals to report how many patients have to be re-admitted because their initial treatment led to infection or other preventable complications.

- And health reform would realign physician payments in order to reward and promote quality health outcomes.

9) Would there be enough doctors to treat all the newly insured people?

- A strong health care workforce is essential for successful health reform.

- Health reform would improve health care access for all Americans by increasing the supply of physicians and other health care providers through enhanced investment in doctor training, scholarships, and loan-repayment programs.

- Health reform also includes a substantial investment in Community Health Centers, which provide needed access to health care and primary care services in communities most in need.

10) Have you held any town halls on health insurance reform?

- Yes, I have held public forums on this topic in Cambridge, Columbus, Cincinnati, and Cleveland, and I have also held an "e-town hall" online.

- I have held more than 130 roundtables across Ohio in order to listen to constituent concerns, and I will continue to hold these roundtables.

- I also meet with Ohioans every week who come to Washington to visit, and I appreciate the letters and phone calls I receive from Ohioans every day on health care and other issues.

11) Have you read the most recent health reform bill?

- Yes I have.

- As updated bills become available, I will also read those.

12) How many of the uninsured are illegal immigrants? Would health reform cover illegal immigrants?

- Today, there are 47 million uninsured people in America.

- According to studies cited by the non-partisan Congressional Budget Office (CBO), roughly 6 million of the uninsured are immigrants here illegally.

- Proposals under consideration by the House and Senate would only provide health insurance subsidies to legal residents of the U.S.

13) How would health reform promote prevention and wellness?

- Health reform would supply individuals and communities with the tools they need to live healthy lifestyles, practice good nutrition, and increase physical activity to prevent chronic diseases.

- Health reform would require insurance companies to cover recommended clinical preventive services – such as mammograms and colonoscopies – with no co-pays or deductibles.

- Health reform would provide consistent funding through the Prevention and Public Health Investment Fund to provide an expanded and sustained national investment in prevention and public health.

- And health reform would support community- and school-based disease prevention programs and provide employers with incentives to offer prevention and wellness programs.

14) Would health reform encourage euthanasia?

- No. In fact, the HELP Committee unanimously accepted an amendment during its markup that explicitly states that the Federal government cannot pay for any health care items or services that cause, or assist in causing, the death of any individual (such as by assisted suicide, euthanasia, or mercy killing).

- The insurance industry and Washington lobbyists have been using the Internet and other means to circulate misinformation about efforts to reform health insurance. They are misrepresenting the truth in an attempt to scare people.

- The bills pending in Congress would NOT limit access to treatment for older Americans or anyone else. The bills ensure seniors the very same authority over their care as they have today, which means no government-imposed restrictions on treatment options.

- The AARP has been very involved in efforts to reform our nation's health insurance industry and they would never endorse legislation that limited treatment options for older Americans.

15) Would health reform cut Medicare benefits to pay for health insurance coverage for other Americans?

- None of the bills pending in Congress would cut guaranteed Medicare benefits for seniors, and I would not support any proposal that did.

- None of the bills pending in Congress would divert money from the Medicare trust fund, and I would not support any proposal that did.

- There are legitimate efforts underway to pay Medicare HMOs appropriately instead of overpaying them as we do today. I am supportive of efforts to eliminate waste, fraud, and abuse – like that found in the Medicare Advantage program – so that we can devote those funds to better benefits and other improvements in Medicare.

- One example of a Medicare improvement included in health reform proposals is closing the "donut hole" that so many seniors face in their prescription drug plans.

- Other examples of how health reform would improve Medicare benefits include eliminating co-payments for recommended preventive services (such as mammographies and colonoscopies) and providing Medicare beneficiaries with free annual check-ups.

16) How would health reform help children and young adults?

- Health reform would fill the gaps that leave millions of children uninsured.

- Health reform would expand access to primary and preventive health care to keep children healthy.

- Health reform would allow young adults to stay on their parents' health insurance policies until age 26 – during the years when they are least able to afford their own coverage.

- Health reform would give young adults the option of enrolling in lower cost insurance plans, recognizing that young adults often have few health needs and are less able to afford coverage at the start of their working careers.

- And health reform would extend the popular Children's Health Insurance Program (CHIP).

17) Would the House health reform bill take away my ability to get private insurance or force me into a public plan?

- No. There has been a lot of confusion about provisions in the House health reform bill. It would not deny an American private insurance. Health reform legislation simply distinguishes between private coverage on the market before health insurance reform is passed and new private coverage that would be sold afterwards.

- To ensure that any American who likes their coverage as it is now would be able to keep it, the House and Senate bills would "grandfather in" existing coverage – which means existing plans could stay on the market without meeting the new insurance standards required by the legislation.

- However, after the date of enactment, private insurers would also be required to sell new coverage that meets the new insurance standards. For example, the new plans would be prohibited from denying people coverage for pre-existing conditions or from charging women more than men.

- If you have coverage when health reform is enacted, you would be able to choose whether to stick with that coverage or buy the new, enhanced private coverage.

18) Would I be penalized for keeping private insurance?

- No. Nothing in health reform legislation would, in any way, penalize individuals who want to keep the insurance they have today. In fact, the legislation is designed to reduce the cost of existing private coverage, which should help stabilize the market for employer-sponsored insurance.

19) What is a health insurance "Gateway" or "Exchange"?

- The Exchange would enable you to easily locate all the insurance options available to maximize your choices.

- A health insurance Exchange would create a more accessible and competitive marketplace for health insurance.

- An Exchange would ensure consumers have the information they need to choose the health insurance plan that makes the most sense for them.

- This means that if your employer doesn't offer health insurance, you would be able to shop around and find the plan that best fits your needs.

20) Would health reform include a public option?

- I am a strong supporter of the public option. I believe it is the best way to contain costs, ensure competition, and keep insurance companies honest.

- The health reform bill that passed the House of Representatives included a public option that would be offered through the health insurance Exchange and would compete on a level playing field with private insurance plans. As it always does, increased market competition would reduce premiums and improve customer service.

- Despite the fact that a public option was included in the House legislation and in the legislation that came out of the Senate HELP Committee, the current bill being considered by the Senate does not include a public option.

- The public option was removed from the Senate bill because there was not sufficient support amongst Senators to keep it in and pass health reform.

- I will keep fighting for a public option – since I believe all Ohioans should have the choice between public and private insurance – but it is important that this legislation move forward. It is the first step, not the last step.

21) Would you and/or your staff be willing to enroll in the public plan?

- Since first coming to Congress in 1993, I have refused to accept the health coverage offered to Members of Congress until every American has access to quality health insurance.

- I am a co-sponsor of Senator Coburn's proposed amendment to the Senate bill, which would require all Members of Congress to enroll in the public plan. If there is a public plan included in the final health reform legislation, I believe all Members of Congress should be required to enroll in it.

22) Shouldn't Congress slow down and not rush health reform?

- There has been a lot of misinformation about the work that has gone into health reform legislation. Congress has spent countless hours hearing from patients, doctors, employers, insurers, and health policy experts to find common-sense solutions to ensure health coverage doesn't become unaffordable for more Americans.

- I have been working on these issues since I came to Congress 16 years ago.

- The Senate HELP Committee concluded a very thorough consideration of the health insurance reform bill where Senators – both Republican and Democrat – worked for 23 legislative sessions, spanning 13 days. Two hundred eighty-seven amendments were debated, and 161 Republican amendments were included in the bill.

- I agree that health reform is too important to rush, but I believe that the Senate has proceeded in a very thoughtful, deliberative manner, and I will keep working to ensure that the final health reform bill is equally thoughtful and takes into consideration the thoughts, suggestions, and needs of Ohioans.

- It should also be noted that 14,000 people lose health insurance every single day that we don't act – 390 of whom are Ohioans.

23) Wouldn't you have to raise taxes to pay for health reform?

- I have consistently stated that I oppose paying for health insurance reform on the backs of middle class Americans.

- I have concerns that the excise tax on high-premium insurance policies included in the "Patient Protection and Affordable Care Act" would hurt middle class families.

- I introduced an amendment with Senators Sanders and Franken which would have removed the benefits tax and instead imposed a 5.4 percent surtax on individuals making more than $2.4 million annually and families making more than $4.8 million annually. I believe this is a far more appropriate way to pay for health reform.

- Though our amendment was not accepted by the Senate, I will keep working to modify these provisions as the bill moves to a conference with the House. It should be noted that the House bill does not include an excise tax on health plans.

24) Would health reform include tort reform?

- While many states – including Ohio – have implemented their own medical malpractice reforms, Congress is currently examining proposals to address rising medical malpractice insurance premiums and frivolous lawsuits nationwide.

- The most recent version of the Senate bill would establish a grant program to encourage states to implement alternatives to traditional medical malpractice litigation.

- Also, President Obama recently announced state-based initiatives to identify the best ways to reduce medical errors and improve the tort system. I support that initiative and will continue to support efforts to reform our nation's medical malpractice system in ways that are fair to those harmed by malpractice as well as to providers.

25) Would small businesses be forced to provide health insurance and, if so, wouldn't they end up having to cut jobs?

- No. Under the Senate bill, there would be no new requirements for small businesses to purchase health insurance. Health reform would exempt small businesses from having to pay any penalty if they choose not to provide coverage for their workers.

26) How would health reform help small businesses?

- Beginning in 2010, small businesses would be eligible to receive tax credits to help them continue to offer health insurance to their employees, or offer it for the first time. It is estimated that more than 118,000 small businesses in Ohio would be eligible for this credit.

- Health reform would open the insurance Exchange to all small businesses to give new affordable insurance options to small employers. This would give small businesses the same strong bargaining leverage and broad risk pooling across state lines that large businesses enjoy.

- Health reform would ban insurance companies from hiking up rates on a small business, watering down coverage, or denying coverage altogether just because one worker has a serious illness.

- And health reform would prohibit insurance companies from refusing coverage for workers because of pre-existing conditions.

27) How would health reform help large businesses?

- For those employers who are happy with the insurance they have – including those who have invested heavily in prevention or negotiated low prices – nothing would change.

- Large employers would be able to keep their insurance, for as long as they choose to renew it.

- What large employers could expect to see from health reform is lower premiums as the cost of covering uncompensated care is removed from premium rates. Insurers would

also be forced to offer more competitive rates because they will be operating in a far more transparent marketplace.

- In addition, new rules would go into effect that would prevent insurers from cushioning premiums with outrageous profit margins, huge executive bonuses, and outrageous marketing expenses.

- Large businesses that do not offer health insurance to their workers would be required to contribute to efforts to expand insurance coverage to all Americans. This would ensure that businesses that do choose to offer insurance are not put at a competitive disadvantage.

28) How would health reform help women?

- Health reform would stop insurance premium discrimination against women by banning insurance companies from charging women higher premiums than men for the same coverage.

- Health reform would require that insurance policies sold in the new health insurance Exchange provide adequate coverage for maternity services.

- Health reform would require that all health insurance plans *fully cover* – with no co-payments – recommended preventive services, such as mammograms and pap smears.

- And health reform would prohibit insurance companies from charging higher rates to women who have been victims of rape or domestic violence.

29) How would health reform help retirees?

- Health reform would help four million pre-Medicare retirees keep their employer retiree coverage by paying for a portion of high-cost claims.

- Health reform would lower the cost of health insurance for retirees not yet eligible for Medicare by limiting the ability of health insurers to charge older persons far higher premiums than younger adults.

- Health reform would stop discrimination against older and sicker persons by preventing insurance companies from refusing coverage, or charging higher rates, to individuals with pre-existing conditions and chronic illnesses.

- And health reform would extend the solvency of Medicare by ten years and offer Medicare beneficiaries a 50 percent discount on prescription drugs in the "donut hole." And, by 2019, health reform would close the "donut hole" completely.

30) Would federal dollars be used to pay for abortions?

- No. Current law prevents tax dollars from funding abortion services – except in cases of rape, incest, or where the life of the pregnant woman is in danger – and I understand the view that this bill shouldn't change that.

- Both the House and Senate bills would keep this current prohibition intact and would ensure that no taxpayer money goes towards abortion benefits in insurance policies.

31) Would health reform restrict my Second Amendment right to own or possess a firearm?

- No. The Senate bill would prohibit insurers from discriminating on the basis of the lawful ownership or possession of a firearm or ammunition.

- It would also prohibit the Secretary of the U.S. Department of Health and Human Services (HHS) from collecting any information relating to such ownership or possession.