

On August 11 and August 14, Congressman Blumenauer held telephone town halls on health care reform. While he answered many questions over the course of two hours, he was not able to respond to every query.

Below are responses to the most common questions (in bold) that Rep. Blumenauer received. Some questions have been edited or combined.

I am happy with my insurance – why will health reform be good for the country, especially since we have such a high deficit already?

Reforming health care is the key to restoring financial stability for American families and businesses and for securing our fiscal future.

The objective of health reform is more than just expanding coverage. We also need to contain cost growth and provide better stability for families and our economy. For years, rising health care costs have been a burden on families, businesses, and the entire economy. Since 2000, health insurance premiums have almost doubled and health care premiums have grown three times faster than wages.

These rising costs have eroded the financial stability of all Americans as families have had to pay more for insurance coverage, have been exposed to a greater risk of personal bankruptcy as deductibles and co-payments increase, and have seen their actual benefits decrease as employers search for ways to rein in escalating health care costs. As families and businesses have struggled with these rising costs, states have also been forced to cut back on investments in areas that are critical to long-term prosperity such as higher education and infrastructure.

Overall, health care is consuming an ever-increasing amount of our nation's resources: at the current rate, health care costs will eat up more than 20 percent of GDP in 2018.

Will people be forced to choose any particular plan?

No! Health reform will give you more options by allowing you to keep your insurance if you like it or, if you're unhappy with your care, have the choice of plans in the Health Exchange. This is kind of like the "Orbitz" of health care where you can compare the benefits, premiums, deductibles, and copays of plans in your area. This also includes a public option, which will compete with private plans and drive down the cost of health insurance.

I'm confused about how much health reform is going to cost. Where are you getting your numbers? How are we going to pay for this and is it going to raise taxes?

HR 3200 will not raise taxes on anyone but the wealthiest one percent of America's income earners. The Congressional Budget Office estimates that the House health insurance reform bill will cost \$1.042 trillion over 10 years, the reforms will be entirely paid for. The Congressional Budget Office is the non-partisan office that determined the costs or savings of legislation. You can review their analysis of the bill at <http://www.cbo.gov/ftpdocs/104xx/doc10464/hr3200.pdf>.

Congress committed to enacting health care reform that is fully paid for. We are proposing to pay for roughly half of the costs of reforms that will lower those costs by achieving significant efficiencies and savings in Medicare and Medicaid, such as eliminating overpayments that are driving up profits for Medicare Advantage plans. We are proposing to pay for roughly the other half through a surcharge on the wealthiest 1.2% of Americans. Here is a complete fact sheet about how health reform will be full paid for and budget-neutral.

<http://edlabor.house.gov/documents/111/pdf/publications/AAHCA-PAYINGFORHEALTHCAREREFORM-071409.pdf>

Has the Congressman read the bill?

Congressman Blumenauer has read the bill and he even wrote sections of it.

Will this bill be paid for by taking money out of everyone's pay checks?

No, health reform will not be paid for by taking money out of everyone's pay checks. **Families making less than \$350,000 a year – or individuals making less than \$280,000 a year – will see no tax increase under the current House bill.**

The America's Affordable Health Choices Act will be fully paid for, in part by raising about \$500 billion in revenues through a tax surcharge **on the wealthiest Americans.**

The bill would require **the top 1.2% of earners** – households with adjusted gross income in excess of \$350,000 (married filing a joint return) and \$280,000 (single) – to contribute toward the cost of providing access to affordable health care for all Americans through a new health care surcharge.

Can the government really run health care?

The government is NOT proposing to run health care. Health reform is about providing all Americans with high quality, affordable care. The government provided public option is just that – an option. It will compete with private insurance to drive down costs and improve the quality of America's health care. But if you like the health insurance you already have, you can

keep it. Reforming the system will improve people's choices and give them better access to top-notch care.

Will taxpayer dollars be used to cover abortions?

No, taxpayer money will not be used to cover abortions. The House bill does nothing to change the Hyde amendment (which bars federal funds for abortion in almost all cases). Nor does the bill change state restrictions on abortion, such as those mandating parental consent or notice. Claims that all private-insurance plans would be required to cover abortion are unfounded. No health plan "mandates" abortion.

In fact, the bills include key provisions that all Americans - whether pro-life or pro-choice - can applaud. The proposals would improve women's access to prenatal care and healthy childbearing services, and would help 47 million Americans that are presently uninsured receive medical care, including contraception services - which is the best way to prevent unintended pregnancies and reduce the *need* for abortion.

Are illegal immigrants going to receive health insurance coverage under this bill?

Section 246 of H.R. 3200 (Page 143, Line 3) specifically forbids federal dollars from going towards health insurance for undocumented workers. Illegal immigrants will not be able to receive benefits under the legislation.

Is a public option included in HR 3200?

Yes, a public option that will compete with private insurance companies and drive down costs is in the House bill. See here: <http://edlabor.house.gov/documents/111/pdf/publications/AAHCA-PUBLICOPTION-071409.pdf>

I understand that Congress has its own insurance plan. Why can't the rest of the country enjoy the same benefits?

The rest of the country WILL enjoy the same benefits as Congress. Members of Congress' health care plans will be subject to the same rules as all other employer-sponsored plans. Nothing in the health care legislation exempts the plans available as part of the Federal Employee Health Benefits (FEHB) program (the plans Members of Congress and other federal employees) from the reforms.

By the end of 2018, all employer-sponsored health insurance plans, including the plans that are part of Federal Employee Health Benefits program, will have to meet at least the same basic minimum standards of coverage as those insurance plans as offered through the Exchange.

These minimum standards include coverage for preventative care, inpatient and outpatient hospital services, maternity care, and mental health services, among others. The FEHB plans will also have to follow these rules.

How will the bill affect small rural hospitals?

In addition to protecting payments to small rural hospitals, the bill also makes a significant investment in training and recruiting doctors and nurses to work in rural areas. Workforce shortages in rural Oregon create huge barriers to accessing medical services and these investments will help make sure that people are able to get the care they need, when they need it. Additionally, the bill dedicates \$15 billion over 5 years to community preventative services grants. These funds will work to address rural health disparities and give communities needed health resources. For more information about the rural health programs in the bill, click here: <http://www.speaker.gov/newsroom/legislation?id=0327>

Will the plan cover vision care, mental health services, medically assisted addiction treatments and things like prevention and alternative medicine? What will the average monthly premium be under the proposed plan?

A new independent Advisory Committee with practicing providers, like doctors and nurses and other health care experts, chaired by the Surgeon General, will recommend a benefit package based on standards set in the law. This new essential benefit package will serve as the basic benefit package for coverage in the Exchange and over time will become the minimum quality standard for employer plans. Premiums will be based on this benefit package which must include:

- ✓ Inpatient hospital services
- ✓ Outpatient hospital services
- ✓ Physician services
- ✓ Equipment and supplies incident to physician services
- ✓ Preventive services
- ✓ Maternity services
- ✓ Prescription drugs
- ✓ Rehabilitative and habilitative services
- ✓ Well baby and well child visits and oral health, vision, and hearing services for children
- ✓ Mental health and substance abuse services

In addition to the essential benefit package, health reform will limit exposure to catastrophic costs with a cap on total out of pocket spending for covered benefits.

To learn more about the guaranteed benefits, click here:

<http://edlabor.house.gov/documents/111/pdf/publications/AAHCA-BENEFITS-071409.pdf>

To learn more about health care affordability, click here:

<http://edlabor.house.gov/documents/111/pdf/publications/AAHCA-AFFORDABILITY-071409.pdf>

How will HR 3200 address denial of coverage for chronically ill patients?

HR 3200 ensures that EVERYONE will have access to health coverage. Insurance companies will no longer be able to deny coverage. This is important, particularly for people who have pre-existing conditions

If so many people are happy with their health care now, why not target the section of the population that really needs help?

That's exactly what HR 3200 does – it preserves plans that people like and offers new options for people who either don't like their plan or don't currently have coverage.

I'm a small business owner and expenses are going up! What's in this bill for the self-employed and small business owners like me?

Small business owners and their workers account for the largest share of the uninsured. An estimated 27 million of the 47 million Americans without health insurance.

Under this legislation, health care costs for small businesses will be dramatically reduced. Health reform will provide small businesses with tax credits to help them provide health insurance for their employees. Small businesses currently pay three times the administrative costs of large businesses for health insurance.

Purchasing health insurance through the exchange will significantly reduce administrative costs and enable small businesses to easily and simply compare the prices, benefits and performance of health plans. By lowering health care costs through more efficient care, more of our nation's dollars can go towards investments in our economy, enabling businesses to thrive.

What does HR 3200 do to address nursing and physician workforce shortages?

Under *America's Affordable Health Choices Act*, existing scholarship, loan repayment, and training grant programs are strengthened to address the need for primary care, nursing, and public health professionals. The primary care workforce is also enhanced by expanding the National Health Service Corps and creating a new primary care loan program. Nursing

workforce expansions are focused on advanced practice nurses who can deliver primary care services and train the next generation of nurses. A new generation of public health workers will be trained through a new loan repayment and scholarship program modeled on the National Health Service Corps. Finally, improved data and advisory systems, coupled with improved diversity and interdisciplinary programs, will provide ongoing surveillance and flexibility to ensure that workforce policies address the needs of a modern U.S. health system.

What will happen to HMO's under HR 3200?

HMO's are treated just like any other health insurance provider. They will no longer be able to engage in discriminatory practices that enable them to refuse to sell or renew policies today due to an individual's health status. In addition, they can no longer exclude coverage of treatments for pre-existing health conditions. The bill also limits the ability of all insurance companies to charge higher rates due to health status, gender, or other factors. Under the proposal, premiums can vary based only on age (no more than 2:1), geography and family size.

What will health care reform do to address Medicare's solvency?

The payment changes that we are making to the Medicare program will extend solvency by five years or more.

When would healthcare take effect? I think it is 2013. If so, how come it will be so long?

Some health reforms will take effect immediately, and other reforms will take more time to implement. For example, effective immediately is that health insurance companies will no longer be allowed to deny coverage to those who get sick (rescinding policies).

Other reforms will take longer to implement because our system is complicated and getting change right – ensuring quality, affordable care – will take time. Ultimately we will have health care a system that is more stable and sustainable.

Will employers end up cutting their benefits if they know that employees have a public option?

Under the House bill, employers have a responsibility to help make health insurance available for their employees. Businesses that do not offer health coverage to their workers would pay an 8 percent payroll tax to help subsidize coverage in the Exchange. Employees of companies that choose to pay the payroll tax will be able to purchase a plan of their choice in the health exchange, including the choice of a public plan.

There has been quite a bit of talk about containing and reducing the cost of health care. Will the cost-saving measures in the bill result in seniors not getting care?

- Medicare will be strengthened and improved! Medicare has been a stable, reliable program for senior citizens, people with disabilities and those with End Stage Renal Disease for over four decades and provides coverage for over 45 million individuals each year. Health reform is needed to rein in rising health costs for private and public programs alike.

The Medicare improvements in the bill include:

- ✓ **Filling the Part D Drug program donut hole:** Addresses one of seniors' top concerns by filling in the Medicare Part D donut hole which will make prescription drugs more affordable. Seniors will receive 50% discounts on brand-name drugs in the donut hole immediately. The donut hole is reduced by \$500 in 2011 and it is completely filled over a number of years.
- ✓ **Enhancing Preventive Coverage:** Eliminates copayments for preventive services in Medicare.
- ✓ **Helping Low-Income Seniors:** Improves low-income subsidy programs to help ensure Medicare is affordable for those with low and modest incomes.
- ✓ **Combats Waste, Fraud & Abuse:** Ensures the program operates in the best interests of its beneficiaries – and all taxpayers – by expanding authority to fight waste, fraud and abuse.
- ✓ **Protecting the Doctor-Patient Relationship and Improving Quality:** Resolves a long-standing problem with the physician payment formula in a way that promotes primary care and advances innovation. Investments in health delivery system reform will improve coordinated care, promote efficiency, and enhance quality.
- ✓ **Extends the Medicare Trust Fund:** Following the advice of experts at the Medicare Payment Advisory Commission, the proposal makes numerous changes in provider payments that enhance the solvency of Medicare and put it on stronger financial footing for the future.

Is health care reform going to give doctors an incentive to provide better care?

Yes! Reining in rising health costs and improving quality hinges on doctors, hospitals, and other providers working together to ensure they are providing the right care to the right patient at the right time. Rather than rewarding the *quantity* of care, payment systems must be modernized to reward high *quality* care. Realigning payment incentives will reduce overuse, slow the growth of health care costs, and improve Americans' health. Read about all the delivery system reforms that will help improve the quality of care for all Americans.

<http://edlabor.house.gov/documents/111/pdf/publications/AAHCA-DELIVERYREFORM-071409.pdf>

Why doesn't Oregon follow other states and mandate that employers who offer healthcare to their employees maintain it for their children in college?

Oregon insurance mandates must be passed by the state legislature, so that is a good question for your local representative.