

Health Care Reform Special Edition



As Congress reconvenes, it is imperative for us to understand, reflect, and act upon the Health Care Reform proposals.

We have developed a special Member's Update to provide you with tools to use and share among your congregations, parishes, and faith groups.

USCCB Position on Health Care Reform

- A truly universal health policy with respect for human life and dignity
- Access for all with a special concern for the poor and inclusion of legal immigrants
- Pursuing the common good and preserving pluralism including freedom of conscience and variety of options
- Restraining costs and applying them equitably across the spectrum of payers

[Read Letter to Congress to Help Reform Health Care, Protect Human Life and Dignity \(PDF\)](#)

Bishop William Murphy, July 17, 2009

LCWR Position on Health Care Reform

- We believe that genuine health care reform is a moral imperative; therefore we call for a health care policy that respects and protects human life and dignity and advances universal coverage.
- We urge access for all with a special concern for those who are poor and vulnerable.
- We advocate pursuing the common good and preserving pluralism including freedom of conscience and a variety of options involving both public and private sectors, including voluntary, religious, and not-for-profit organizations.
- We believe that health care costs must be restrained, with all stakeholders, including government, employers, individuals, charitable organizations and health care providers, sharing the responsibility of financing.

There are 624 Catholic hospitals in the United States serving 1 in 6 patients. Most of these institutions were founded by the Catholic Sisters.

Insurance Exchange Spotlight:

Purpose: To make available multiple plan choices to certain individuals and/or businesses who lack coverage from another source.

Key features:

- Spread risk amongst various insurers
- Consumers can more easily navigate the insurance market, making the choices easy to understand
- Ensures affordability by providing comprehensive minimum benefits

The insurance exchange would pool both private insurers and the public option in together. It can be organized at the National or State/Regional Level. However, there should be national standards and rules (i.e. minimum coverage requirements and oversight regulation) following its implementation.

Lingo: Exchange, connector, gateway, and help agencies all refer to the idea of an insurance exchange.

Exchange	=	Term used in House Bill
Connector	=	Term used for the existing exchange in Massachusetts
Gateway	=	Term used in the Senate HELP Bill, to be developed in each state
Health Help Agencies	=	Term used in Wyden and Bennett's Bill

Commonalties of the Tri- Committee and Senate HELP proposals

- "Essential benefits package" (minimum services covered)
- No or low cost sharing for preventive care (physicals, well child visits)
- No lifetime or annual benefit maximum allowed
- Out of pocket cap for an individual

What differs:

- All insurance companies being required to be a part of the exchange
 - o Found in House's "America's Affordable Health Choices Act of 2009", not in Senate HELP committee's version

More on exchanges:

<http://www.npr.org/templates/story/story.php?storyId=111593578>

http://voices.washingtonpost.com/ezra-klein/2009/06/health_insurance_exchanges_the.html

<http://www.kff.org/healthreform/upload/7908.pdf>

Tri-CRI Member Update

SEPTEMBER 2009

SPECIAL EDITION

Bill Breakdown:

Legislation Proposal	Employer Requirements:
Senate Finance Committee: Policy Options	Proposed Option A: Require employers with more than \$500,000 in total payroll/year to offer coverage to their employees and contribute at least 50% of the premium or pay an assessment in either of three ways 1) a set fee per enrollee per month based on total annual payroll; 2) a tiered penalty calculated as a percentage of payroll; or 3) a larger penalty only on firms with annual payroll of more than \$1,500,000. Proposed Option B: No employer "pay or play" requirement.
Senate HELP Committee: Affordable Health Choices Act	Require employers to offer health coverage to their employees and contribute at least 60% of the premium cost or pay \$750 for each employee who is not offered coverage. Exempt employers with 25 or fewer employees from the requirement to provide coverage.
House Tri-Committee: America's Affordable Health Choices Act of 2009: (H.R. 3200)	Require employers to offer coverage to their employees and contribute at least 72.5% of the premium cost for single coverage and 65% of the premium cost for family coverage of the lowest cost plan that meets the essential benefits package requirements or pay 8% of payroll into the Health Insurance Exchange Trust Fund (Different funding levels for lower annual payroll costs) Require employers that offer coverage to automatically enroll into the employer's lowest cost premium plan any individual who does not elect coverage under the employer plan or does not opt out of such coverage.
President Obama: Principles for Health Reform	Not Specified, but is open to an employer mandate as long as small businesses are exempt
Sens. Tom Coburn and Richard Burr and Reps. Paul Ryan and Devin Nunes: Patients' Choice Act of 2009 (S. 1099 and H.R. 2520)	Not Specified
Rep. John Conyers: U.S. National Health Care Act (H.R. 676)	No provision
Rep. John Dingell: National Health Insurance Act (H.R. 15)	No provision

Bill breakdown sourced from Kaiser Family Foundation: <http://healthreform.kff.org/>

Tri-CRI Member Update

SEPTEMBER 2009

SPECIAL EDITION

Rep. Tom Price (Republican Study Committee): Empowering Patients First Act (H.R. 3400)	Permit employers to offer employees a defined contribution for the purchase of health insurance in the individual market. Require employers to disclose to employees the total amount the employer spends on the employee's health insurance premium.
Sen. Bernie Sanders: American Health Security Act of 2009 (S. 703)	Prohibit employers from offering health benefits that duplicate those provided by State health security programs.
Rep. Pete Stark: AmeriCare Health Care Act of 2009 (H.R. 193)	Require employers to contribute at least 80% of the AmeriCare premiums for employees or at least 80% of the cost of the group plan if the employer provides qualifying employee coverage. Employers with fewer than 100 employees will be given an additional three years to come into compliance with this provision.
Sens. Ron Wyden and Bob Bennett: Healthy Americans Act (S. 391)	Require employers to contribute an amount equal to a percentage of the average premium of their workforce times the number of workers. Percentage of the average premium varies for large and small employers from 2% to 25%. For the first two years, permit employers previously providing health insurance to increase their workers' wages by the amount of the health insurance premium in lieu of the employer shared responsibility payment described above. Employers who continue to sponsor health plans must provide information on HAPI plans to employees. Require employers to deduct individual and family premiums from workers' payroll.
Former Majority Leaders: Sens. Howard Baker, Tom Daschle, and Bob Dole: Crossing Our Lines: Working Together to Reform the U.S. Health System	Require employers to offer coverage to their employees or pay a fee based on the percentage of payroll. The fees would range from 1% of payroll for firms with annual payrolls between \$1 million and \$2 million and 3% of payroll for firms with annual payrolls above \$3 million. Exempt small businesses with payrolls less than \$1 million.



Tri-CRI Member Update

SEPTEMBER 2009

SPECIAL EDITION

Legislation Proposal	Overall goals
Senate Finance Committee: Policy Options	No formal proposals, but papers offering reform framework: Require all individuals to have health insurance. Create a Health Insurance Exchange through which individuals and small businesses can purchase health coverage, with subsidies available to individuals/families with incomes between 100 and 400% of the federal poverty level. Impose new regulations on the non-group and small group insurance markets. Expand Medicaid and CHIP and offer a temporary Medicare buy-in for the pre-Medicare population.
Senate HELP Committee: Affordable Health Choices Act	Require all individuals to have health insurance. Create state-based American Health Benefit Gateways through which individuals and small businesses can purchase health coverage, with subsidies available to individuals/families with incomes up to 400% of the federal poverty level (or \$73,240 for a family of three in 2009). Require employers to provide coverage to their employees or pay an annual fee, with exceptions for small employers, and provide certain small employers a credit to offset the costs of providing coverage. Impose new regulations on the individual and small group insurance markets. Expand Medicaid to all individuals with incomes up to 150% of the federal poverty level.
House Tri-Committee: America's Affordable Health Choices Act of 2009: (H.R. 3200)	Require individuals to have health insurance. Create a Health Insurance Exchange through which individuals and smaller employers can purchase health coverage, with premium and cost-sharing credits available to individuals/families with incomes up to 400% of the federal poverty level (or \$73,240 for a family of three in 2009). Require employers to provide coverage to employees or pay into a Health Insurance Exchange Trust Fund, with exceptions for certain small employers, and provide certain small employers a credit to offset the costs of providing coverage. Impose new regulations on plans participating in the Exchange and in the small group insurance market. Expand Medicaid to 133% of the poverty level.
President Obama: Principles for Health Reform	FY 2010 Budget overview. The President has indicated that comprehensive health reform should: <ul style="list-style-type: none"> - Reduce long-term growth of health care costs for businesses and government. - Protect families from bankruptcy/debt because of health care costs. - Guarantee choice of doctors and health plans. - Invest in prevention and wellness. - Improve patient safety and quality care. - Assure affordable, quality health coverage for all Americans. - Maintain coverage when you change or lose your job. - End barriers to coverage for people with pre-existing medical conditions



Tri-CRI Member Update

SEPTEMBER 2009

SPECIAL EDITION

Sens. Tom Coburn and Richard Burr and Reps. Paul Ryan and Devin Nunes: Patients' Choice Act of 2009 (S. 1099 and H.R. 2520)	Create state-based health insurance exchanges through which private plans offer coverage meeting certain benefit and other standards. Employers can continue to provide coverage to their employees, but the current tax preference for employer-sponsored insurance will be replaced with a tax credit of \$2,290 for individuals and \$5,710 for families to provide incentives for insurance coverage. Maintain Medicaid coverage for low-income people with disabilities, but integrate low-income families currently eligible for Medicaid into private insurance.
Rep. John Conyers: U.S. National Health Care Act (H.R. 676)	Create a public health insurance program for all U.S. residents. Replace employer coverage and eliminate the Medicare, Medicaid and CHIP programs. Individuals are not required to pay premiums or cost-sharing. Require conversion to a non-profit health care system. Provide for global budgets for hospitals and negotiate annual reimbursement rates with physicians and other non-institutional providers. Finance program by redirecting current federal and state health care spending, impose an employer/employee payroll tax, and leverage additional taxes.
Rep. John Dingell: National Health Insurance Act (H.R. 15)	Create a national health insurance program for individuals meeting eligibility requirements. Require states to administer the program and provide for equivalent care for "needy" individuals who do not meet eligibility requirements. A National Health Insurance Board determines allotments for the classes of covered services. Financed by a value-added tax imposed on certain transactions.
Rep. Tom Price (Republican Study Committee): Empowering Patients First Act (H.R. 3400)	Allow people who purchase coverage in the individual market to deduct the cost of premiums from their income taxes. Provide refundable tax credits to individuals and families with incomes below 300% FPL to purchase insurance in the individual market. Establish Association Health Plans and Individual Membership Associations through which employers and individuals can purchase coverage. Implement state high-risk pools or reinsurance programs to provide coverage for people with pre-existing health conditions. Require states to provide coverage to 90% of children with family incomes below 200% FPL as a condition for expanding child eligibility to 300% FPL, and require states to provide vouchers to children eligible for Medicaid and CHIP, to be used to purchase private insurance.

Tri-CRI Member Update

SEPTEMBER 2009

SPECIAL EDITION

Sen. Bernie Sanders: American Health Security Act of 2009 (S. 703)	Create a state-based public health insurance program for all U.S. residents. Replace employer coverage and eliminate the Medicare, Medicaid and CHIP programs. Individuals are not required to pay premiums or cost-sharing. Provide for global budgets for hospitals and negotiate annual reimbursement rates with physicians and other non-institutional providers. Finance program by redirecting current federal and state health care spending, impose an employer/employee payroll tax, and leverage a new health care income tax.
Rep. Pete Stark: AmeriCare Health Care Act of 2009 (H.R. 193)	Create a new public plan, modeled on Medicare, as default coverage for all Americans. Individuals in a qualified group plan or Medicare may opt out of AmeriCare. Require employers and individuals to contribute toward the cost of the plan, with federal premium subsidies available for individuals below 300% FPL. Use Medicare's administrative structure to govern the plan. Financed by premium contributions from employers and individuals, state maintenance of effort payments, and from general revenue.
Sens. Ron Wyden and Bob Bennett: Healthy Americans Act (S. 391)	Require most Americans to purchase private coverage (called Healthy Americans Private Insurance or HAPI) meeting certain standards, with federal subsidies available for individuals/families up to 400% of the federal poverty level. State-based Health Help Agencies administer the offering of HAPI plans, which have to meet federal benefit and other standards. Employers can continue to sponsor health plans but many are unlikely to do so because the favorable tax treatment for individuals of employer-paid and insurance is eliminated.
Former Majority Leaders: Sens. Howard Baker, Tom Daschle, and Bob Dole: Crossing Our Lines: Working Together to Reform the U.S. Health System	Require all Americans and legal residents to have health insurance. Create state-based health insurance exchanges through which individuals and employers can purchase health coverage, with premium credits available to individuals/families with incomes up to 400% of the federal poverty level. Require employers to provide coverage to employees or pay a fee based on annual payroll, with exceptions for certain small employers, and provide certain small employers a credit to offset the costs of providing coverage. Impose new regulations on plans participating in the exchanges and in the individual and small group insurance markets. Expand Medicaid to 100% of the poverty level.

Action Alerts:

Recent estimates have stated that calls to Capitol Hill against health care reform are outnumbering support for change 3:1.



We MUST act.



Two websites that will send a letter to your senator:

<http://capwiz.com/networklobby/issues/alert/?alertid=13829611&type=CO>
<http://capwiz.com/ipjc/issues/alert/?alertid=13816926>

Capitol Hill switchboard:
202-224-3121 or toll-free 888-797-8717.

Post on White House page:

<http://www.whitehouse.gov/realitycheck/contact>

Who are your Legislators?

<http://capwiz.com/networklobby/home/>

Soundbites: Insightful Quotes on Health Care Reform

“In my hierarchy of priorities, what matters most is that all people have access to quality, affordable healthcare. This is more important than the funding mechanism. I worry about realistic funding methods, but I won’t pull out of the struggle for something new if Congress does not use my preferred model. To me this is a real-life example of working for the common good” *Simone Campbell, SSS, Executive Director of NETWORK*

“Justice too long delayed is justice denied.” *Dr. Martin Luther King, Jr.*

“Every person has the right to adequate health care. This right flows from the sanctity of human life and the dignity that belongs to all persons, who are made in the image of God... Our call for health care reform is rooted in the biblical call to heal the sick and to serve 'the least of these,' the priorities of justice and the principle of the common good. The existing patterns of health care in the United States do not meet the minimal standard of social justice and the common good”. *Resolution on Health Care Reform, U.S. Catholic Bishops [1993]*



Resources:

Faith Based:

<http://www.usccb.org/healthcare/>
<http://lcrw.org/lcrwpressreleases/publicstatements.htm>
<http://www.faithfulreform.org>
<http://www.stjoechr.org>

Comparisons of Bills:

<http://www.nytimes.com/interactive/2009/08/12/us/politics/0812-health-timeline.html>
<http://www.kff.org/healthreform/sidebyside.cfm>
<http://www.nytimes.com/interactive/2009/08/12/us/politics/0812-plan-comparison.html#tab=2>

Government Based:

<http://www.healthreform.gov/>
<http://www.whitehouse.gov/realitycheck>
<https://www.mahealthconnector.org>

Aforementioned Proposals:

Senate Finance Committee: <http://finance.senate.gov/sitepages/baucus.htm>
Senate <http://help.senate.gov/>
House Tri-Committee: <http://waysandmeans.house.gov/MoreInfo.asp?section=52>
http://energycommerce.house.gov/index.php?option=com_content&view=article&id=1687&catid=156&Itemid=55
<http://edlabor.house.gov/newsroom/2009/07/ed-labor-approves-historic-hea.shtml>

Guaranteed benefits of House bill: http://edlabor.house.gov/documents/111/pdf/publications/AAHCA_BENEFITS-071409.pdf

President Obama: <http://www.whitehouse.gov/omb/budget/> and <http://www.HealthReform.gov>
Coburn: http://coburn.senate.gov/public/index.cfm?FuseAction=HealthCareReform.Home&ContentRecord_id=5e3b30a4-802a-23ad-4b44-14f0219114c6
Coyners: http://coyners.house.gov/index.cfm?FuseAction=Issues.Home&Issue_id=063b74a4-19b9-b4b1-126b-f67f60e05f8c

Dingell: http://www.house.gov/dingell/issue_healthcare.shtml

Price: <http://rsc.tomprice.house.gov/Solutions/EmpoweringPatientsFirstA>

Sanders: <http://www.sanders.senate.gov/news/record.cfm?id=313855>

Stark: http://www.stark.house.gov/index.php?option=com_content&task=view&id=1081&Itemid=103 and
http://www.stark.house.gov/index.php?option=com_content&task=view&id=1238&Itemid=84

Wyden: http://wyden.senate.gov/issues/Legislation/Healthy_Americans_Act.cfm

http://wyden.senate.gov/issues/Health_Care.cfm

Former Majority Leaders: <http://www.bpcleadersproject.org/>