

Now Under Construction in Congress: An Important New Beginning in Health Reform

An Analysis and Action Guide (December 13, 2009)

In the next six to eight weeks, Congress will likely pass a massive health reform bill. Much remains uncertain about that bill's provisions. And, we can be certain, much that we once hoped for will be absent. But the bill will be historic, and we must ensure that the most desirable provisions in the texts being considered now remain in the final bill. For the first time ever, the federal government will tell the people that universal coverage is a public good that can be realized only with a tax funded health insurance program. Also, for the first time ever, the federal government will start regulating the health insurance industry, to put an end to its most brutal practices and to make it more accountable.

- No insurer will be able legally to deny coverage, whether because of preexisting conditions, gender, ethnicity, age, or other reasons, although, within limits, age may bring higher premiums. Canceling coverage of insured persons will be outlawed. And insurers are likely to be required to spend at least 85 or 90 percent of premium revenues on actual delivery of health care.

We can also count on the bill to help millions of people in ways that are more positive:

- Medicare beneficiaries will no longer have any out-of-pocket costs for a wide range of preventive services (colonoscopy, mammography, and others) and there are provisions to narrow or phase out the "donut hole" in prescription drug coverage. The financial stability and the political security of Medicare will be strengthened by a phase-out of the private Medicare Advantage plans.
- Out-of-pocket costs will be capped.
- Expansion of Medicaid will help millions of low income people gain coverage.
- Young adults will be able to stay on their parents' health insurance till their mid 20s.
- The bill is likely to provide a tax deductible means for younger people to put aside savings that can be used for long term care when they are older.

But the enemies of health reform are untiring in their efforts to weaken the bill or prevent its adoption altogether. They have vast control of news media. They are relying on an extensive popular culture that is individualistic, distrusts government, and sees health reform as an alien threat to deprive the nation of the world's best health care system. The foes of health reform know that they have given millions of dollars to key members of Congress and they are awaiting assistance implicitly promised by the recipients. They are counting on our fatigue: we have already sent so many letters, forwarded hundreds of emails and made many calls. They are relying on the confusion in our ranks ("This is an imperfect bill. Let's sit this one out and wait for another day.").

Our struggle for quality, affordable and accessible health care for all is also a proxy struggle for control of Congress, looking toward the elections of 2010, as well as a struggle to firm up the social policy foundations of the presidency for the next three years. It holds out both an opportunity to advance health care reform and a risk of perverting it to serve the interests of the health insurance and pharmaceutical industries. It is a proxy struggle for the preservation and advancement of social insurance or its transformation into the profit streams of big business.

What we can do together:

We hope that you will join with Rekindling Reform in redoubling our mutual efforts in these last days of action on this far reaching health reform legislation. It is clearly an imperfect bill and the struggle for further reform will begin on the day that it is signed into law. Please contact Senator Schumer and Senator Gillibrand with these messages and stand ready to do the same with the members of the House-Senate conference committee when they are appointed.

- 1. The health insurance exchange should open ASAP. It should be a national exchange. Everyone in the country, including immigrants, should have access to it.**
- 2. We must not force people to buy health insurance that will fatten the profits of health insurance companies without providing an affordable option to buy government health insurance as soon as the exchange opens.**
- 3. States that wish to adopt a single-payer system must be allowed to do so, utilizing federal funding assistance.**
- 4. There must be no caps on either annual or lifetime benefits.**
- 5. We need to enable access to Medicare coverage by persons age 55-64.**
- 6. Affordability standards must be set carefully. Affordability of care (not just of premiums) must not take second place to deficit concerns. Financial barriers to timely care often put people's lives at risk.**
- 7. Reform should be funded largely by a surtax on high incomes and not at all by an excise tax on employer health plans.**
- 8. The health reform bill should change nothing in current law or regulation regarding access to coverage for reproductive health services. The Stupak amendment to the House bill must be dropped.**
- 9. Insurance companies must be required to spend a minimum of 90% of premiums on patient care. Premium increases must be subject to regulatory control. Insurers must be subject to anti-trust regulation.**
- 10. If Medicaid expansion is to be implemented expeditiously and effectively, the states, which are beleaguered fiscally, will need substantial federal funding to expand their Medicaid administrative capabilities.**
- 11. Health insurance coverage is not the same thing as health care. There needs to be a significant increase in the numbers of doctors, nurses and other health care personnel, particularly in primary care, if we are to assure access to care.**

We will be sending updating bulletins as this battle for the future of health care and the future of our country continues. Please keep us in touch with us about your experiences and your ideas at email@rekindlingreform.org

Keep checking our website at www.rekindlingreform.org.

Together, we can make a difference!