

Affordable Health Care for America Act

By Kruger, Mike on October 29, 2009 10:30 AM

For the first time in U.S. history, all Americans would have access to quality, affordable health care under updated health insurance reform legislation unveiled by House Democrats.

The Affordable Health Care for America Act [H.R. 3962], which blends and updates the three versions of previous bills passed by the House committees of jurisdiction in July, embodies President Obama's key goals for health reform. It will slow the growth in out-of-control costs, introduce competition into the health care marketplace to keep coverage affordable and insurers honest, protect people's choices of doctors and health plans, and assure all Americans access to quality, stable, affordable health care.

The **key components** of the Affordable health Care for America Act include:

Increasing choice and competition. The bill will protect and improve consumers' choices.

If people like their current plans, they will be able to keep them.

For individuals who aren't currently covered by their employer, and some small businesses, the proposal will establish a new Health Insurance Exchange where consumers can comparison shop from a menu of affordable, quality health care options that will include private plans, health co-ops, and a new public health insurance option. The public health insurance option will play on a level playing field with private insurers, spurring additional competition.

This Exchange will create competition based on quality and price that leads to better coverage and care. Patients and doctors will have control over decisions about their health care, instead of insurance companies.

Giving Americans peace of mind. The legislation will ensure that Americans have portable, secure health care coverage – so that they won't lose care if their employer drops their plan or they lose their job.

Every American who receives coverage through the Exchange will have a plan that includes standardized, comprehensive and quality health care benefits.

It will end increases in premiums or denials of care based on pre-existing conditions, race, or gender, and strictly limit age rating.

The proposal will also eliminate co-pays for preventive care, and cap out-of-pocket expenses to protect every American from bankruptcy.

Improving quality of care for every American. The legislation will ensure that Americans of all ages, from young children to retirees have access to greater quality of care by focusing on prevention, wellness, and strengthening programs that work.

Guarantees that every child in America will have health care coverage that includes dental, hearing and vision benefits.

Provides better preventive and wellness care. Every health care plan offered through the exchange and by employers after a grace period will cover preventive care at no cost to the patient.

Increases the health care workforce to ensure that more doctors and nurses are available to provide quality care as more Americans get coverage.

Strengthens Medicare and Medicaid and closes the Medicare Part D 'donut hole' so that seniors and low-income Americans receive better quality of care and see lower prescription drug costs and out-of-pocket expenses.

Ensuring shared responsibility. The bill will ensure that individuals, employers, and the federal government share responsibility for a quality and affordable health care system.

Employers can continue offering coverage to workers, and those who choose not to offer coverage contribute a fee of eight percent of payroll.

All individuals will generally be required to get coverage, either through their employer or the exchange, or pay a penalty of 2.5 percent of income, subject to a hardship exemption.

The federal government will provide affordability credits, available on a sliding scale for low- and middle-income individuals and families to make premiums affordable and reduce cost-sharing.

Protecting consumers and reducing waste, fraud, and abuse. The legislation will put the interests of consumers first, protect them from problems in getting and keeping health care coverage, and reduce waste, fraud, and abuse.

Provides transparency in plans in the Health Exchange so that consumers have the clear, complete information, in plain English, needed to select the plan that best meets their needs.

Establishes consumer advocacy offices as part of the Exchange in order to protect consumers, answer questions, and assist with any problems related to their plans.

Simplifies paperwork and other administrative burdens. Patients, doctors, nurses, insurance companies, providers, and employers will all encounter a streamlined, less confusing, more consumer friendly system.

Increases funding of efforts to reduce waste, fraud and abuse; creates enhanced oversight of Medicare and Medicaid programs.

Reducing the deficit and ensuring the solvency of Medicare and Medicaid.

The legislation will be entirely paid for – it will not add a dime to the deficit. It will also put Medicare and Medicaid on the path to a more fiscally sound future, so seniors and low-income Americans can continue to receive the quality health care benefits for years to come.

Pays for the entire cost of the legislation through a combination of savings achieved by making Medicare and Medicaid more efficient – without cutting seniors' benefits in any way – and revenue generated from placing a surcharge on the top 0.3 percent of all households in the U.S. (married couples with adjusted gross income of over \$1,000,000) and other tax measures.

The Congressional Budget estimates the bill will reduce the deficit by at least \$100 billion over ten years.

Estimates also show the bill will slow the rate of growth of the Medicare program from 6.6 percent annually to 5.3 percent annually.