

Health Care is in the House!

America's Health Care Choices Act – H.R. 3200

What it is: America's Health Care Choices Act (H.R. 3200) is the health care reform legislation sponsored by the Chairs of three House committees: Ways and Means (Charles Rangel); Energy and Commerce (Henry Waxman); and Education and Labor (George Miller). The bill in an amended form will go to the full House of Representative for a vote.

What it does: H.R. 3200 provides good health care benefits – from prevention through care for serious conditions – at a more affordable cost to almost all Americans. Americans will have the peace of mind of knowing that a job will come with health insurance and if you are self-employed or not working that you'll still be able to get affordable coverage. Insurance companies will no longer be able to deny coverage or raise rates because of pre-existing conditions. H.R. 3200 will be paid for through savings in the health care system and a surcharge on the 1.5% of wealthiest Americans, those who earn more than \$350,000 a year.

Good Health Coverage through Workplace: Health coverage through work will include good benefits: prevention, doctors, hospitals, prescription drugs, mental health and dental and vision care for children. Your employer will pay be responsible for paying a reasonable share of the premium (no less than 72% for individual coverage and 65% for family coverage). And if your employer chooses not to provide coverage (a choice that all employers have now), the employer will help pay for your coverage by contributing to a new health care "exchange" where you and your family will be able to pick from a range of health plans.

Good Health Coverage Off the Job: If you don't get health coverage through work, you'll get health care coverage through a new health insurance marketplace, called an exchange. In the exchange, people will choose from standard benefit packages (all will have good benefits but some will have higher co-payments and deductibles) offered by a number of private health insurers and a new public health insurer. The amount you pay for coverage will depend on your income, with subsidies for low, moderate and middle income families (up to an income of \$88,000 for a family of four.) There will be a cap on out-of-pocket costs. People who are poor – up to just above the poverty line – will be covered by Medicaid.

New Rules to Stop Insurance Company Abuses: Whether you get insurance at work or through the exchange insurance companies will have to follow new rules. Insurance companies will not be able to deny coverage or raise rates due to pre-existing conditions and will no longer be able to charge more because of someone's

gender. Insurance companies will be able to charge more to people based on age, but the amount will be limited.

More Focus on Prevention and Primary Care: Prevention will be covered with no co-payments or deductibles. And there will be steps taken to increase the number of primary care providers: doctors, physician's assistants and nurse practitioners. The legislation also takes several important steps to ensure that everyone, regardless of their race, ethnicity or gender, gets the same quality care.

Affordable Coverage for Small Businesses: Small businesses that provide coverage will get tax-credits. Some small businesses will be able to purchase coverage through the exchange, which will have lower premiums. And small businesses that don't provide coverage will pay a small percentage of wages (2% to 8%) into the exchange so that their employees can get affordable coverage. There will be no requirement to pay for the smallest businesses.

Paid for Fairly: H.R. 3200 is paid for in a fair way, with shared responsibility from individuals, employers and government. The legislation raises the money needed to pay to make health care more affordable through in two ways. The first is through savings in the system, such as stopping overpayments to private insurance companies under Medicare and rewarding more efficient delivery of health care. The second is by raising money through a surcharge on the top 1.5% of taxpayers, those with individual income of \$280,000 or more or family income of \$350,000 or more.

How H.R. 3200 Could be Improved: There are a few ways that H.R. 3200 could be improved:

- Make coverage more affordable to people in the exchange. The financial support for some middle-income families is not enough to make health care truly affordable. The subsidies should be increased so that middle-income families don't spend more than 8% of their income on health premiums.
- Increase the number of small businesses who can purchase coverage through the exchange, so that more small businesses will be able to get lower premiums and give their employees the choice of either private insurance or a public insurance option.
- Allow *legal*, low-income immigrants to be eligible for Medicaid without having to wait five years.