

Alabama Applesed Health Reform Update November 6, 2009

Combined House Bill Nears a Vote – Bill Highlights

Much of the health reform news this week focused on the combined House bill, the *Affordable Health Care for Americans Act* (H.R. 3962). The bill, which was first unveiled last week, has a number of key features, including: * expanding Medicaid to cover everyone, even childless adults, earning up to 150% of the Federal Poverty Level (FPL); * providing affordability credits to assist individuals and families earning up to 400% of FPL in purchasing health insurance; * creating a national health insurance exchange where qualifying small businesses and individuals/families not covered by employer plans or Medicare/Medicaid can purchase coverage from competing companies; * providing the choice of a “public option” to compete with private insurance companies within the national exchange; * providing employer tax credits for qualifying small businesses which would allow them to offset as much as 50% of their costs in providing their employees with coverage; * reforming insurance practices so that companies can no longer refuse to provide coverage to those with pre-existing conditions, and; * capping yearly out-of-pocket costs at \$5,000 for individuals and \$10,000 for families as well as removing lifetime limits on benefits, both helping to prevent excessive medical debt and bankruptcy.

Notably, early in the week, the House Committee on Energy and Commerce released district-by-district reports for each state detailing how the bill’s reform measures would affect the people living in each district. The committee provided each of the seven U.S. Representatives from Alabama with a two-page summary explaining how the bill would benefit his constituents. For example, the benefits listed for the Montgomery area (combining the numbers from the reports for Congressmen Bright and Rogers) include: * nearly 100,000 people who are currently uninsured within the districts could receive coverage; * 368,000 households from the area would qualify for affordability credits; * the 20,000 people in these districts with pre-existing medical conditions who currently could be denied coverage would be protected by the provision preventing insurance companies from excluding them; * 26,600 small businesses in these districts would qualify to participate in the national health insurance exchange, allowing them the benefit of group rates and a greater choice of insurers; * 23,300 small businesses would qualify for tax credits to offset up to 50% of their premiums, and; * because of the out-of-pocket caps and removal of lifetime benefit limits, a likely reduction in the number of health care-related bankruptcies - 3,900 such bankruptcies occurred in the districts in 2008. To see Alabama’s district-by-district reports, go to:
http://energycommerce.house.gov/index.php?option=com_content&view=article&id=1802:hr-3962-the-affordable-health-care-for-america-act-district-by-district-impact&catid=169:legislation&Itemid=55.

During the week, the bill received key endorsements from the AARP and the American Medical Association, but it also inspired a vocal protest in D.C. by some groups opposing the measure. A floor vote on the bill currently is scheduled for tomorrow evening (Saturday 11/7), but if House leaders are unsure of the 218 votes needed for passage, they may delay the vote until next week. As negotiations continue late Friday afternoon, one key point of contention

relates to the issue elective abortions and the potential utilization of federal money to fund them. While the bill does not authorize such procedures, some House members are seeking more explicit assurances. It appears that a compromise measure proposed by Rep. Brad Ellsworth (D., Ind.) or one like it may be adopted. According to the Wall Street Journal, “The provision would establish strict rules for insurance companies to separate public funds from individual’s premiums, so public money couldn’t be used to fund abortions. And it would require that the public option be administered by a private contractor, whose responsibility would include segregating and managing any money that went for abortions.” (Bendavid and Adamy, WSJ Online (11/6)). It remains to be seen whether such a compromise measure will be adopted and whether that will be enough to bring the bill to a successful vote.

What You Can Do to Help Promote Healthcare Reform

As Congress continues to work on the critical issue of healthcare reform, Representatives and Senators are interested in hearing from their constituents. Even if you do not go into detail on the issues involved, it is still important to let your Congressmen know that you support healthcare reform. To find how you can contact your Congressmen, you may visit: <http://www.congressmerge.com/>.