

THE FAILURE OF FEDERAL HEALTH CARE REFORM

Why the new federal health care reform legislation will not work

Delay in implementation

During the three or four years that it will take for the health insurance legislation to begin, tens if not hundreds of thousands of Americans will die.

Leaves millions of Americans out

Once the insurance reform takes effect, people will still be left without health insurance. Whether it is 17 or 24 million left out, we find this unacceptable. We know that the actual number of uninsured people is likely to be higher than these estimates and we know that people without insurance have a 40 percent higher risk of death than those who have insurance.

Too costly for individuals

Medical bankruptcies will continue to occur as families will face out-of-pocket costs on covered services of up to \$10,000 in addition to the cost of premiums and the cost of uncovered services. The average medical debt that causes insured families to become bankrupt is \$18,000.

Unpopular mandate

People who are uninsured will suffer the further indignity of being forced to pay a fine, which may be as high as 2.5 percent of their income.

The under-insured will increase

The number of people who are underinsured will increase with this legislation. People will be required to purchase health insurance or face a penalty. There is no guarantee that premiums will be affordable even for those who qualify for federal subsidies. Health insurers have already predicted that the cost of premiums will rise because they are being required to stop the practices of excluding pre-existing conditions and rescissions. The public insurance is estimated to be more expensive than private insurance plans. A similar reform in Massachusetts has resulted in a rise of patients who forgo needed care because they cannot afford the co-pays and deductibles once they have paid for their premiums.

Not equitable - You only get what you can afford to pay for

People will continue to be consigned to only receiving the quality of care that they can afford. Instead of a standardized benefit plan that covers all necessary care, people will have to choose from a tiered set of plans. The least expensive plans will cover only 60 percent of necessary care and patients will be required to pay the balance.

Won't control sky-rocketing costs of health care

The legislation will not control health care costs and will in fact increase the waste in health care spending. The regulation of insurance companies, which has failed to date and is predicted to fail again by industry whistleblowers, will be expensive to enforce. And the "exchanges" will have to be created from scratch. The exchange will add another level of bureaucracy, which in Massachusetts has added a 4 percent charge to each insurance premium. Unfortunately, this legislation does nothing to reclaim the hundreds of billions of dollars that are currently wasted on administration, paperwork and marketing for the hundreds of health plans in existence.

Bonanza for insurance company profits

The legislation transfers hundreds of billions of public dollars to private insurance companies. People will be mandated to purchase health insurance whether they can afford it or not, so the insurance companies benefit by having millions of new enrollees. In addition, between \$447 billion and \$605 billion in public dollars will be given to the private insurers in the forms of subsidies to help people purchase their defective product.

Give away to pharmaceutical companies

The legislation protects the outrageous profits of the pharmaceutical corporations. The majority of Americans will not see any improvement in the costs of medications and the pharmaceutical corporations have already raised prices on brand name prescriptions by 9 percent this year. Biotech firms receive a windfall 12-year patent on new pharmaceuticals.

Not fair - The old and the sick continue to pay more

The legislation continues to allow discrimination based on age and immigration status. Older enrollees can be charged up to twice as much as younger enrollees. And enrollees will be required to prove citizenship in order to receive subsidies. Non-citizens will be required to bear the full cost of purchasing insurance.