Health Care Reform

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Invest in People and Share in the Profits
The 15th annual Indiana Conference for People with Disabilities

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Purpose of 2009 Health Reform

• Cover the uninsured
• Lower skyrocketing health care costs
• Change the system’s focus from sickness to wellness by emphasizing prevention
• Address shortage of health care providers, primarily physicians.
House Bill – H.R. 3962

• Affordable Health Care for America Act

• Passed: 220-215

• One Republican Vote

• 39 Democrats voted against
Known Differences Between House and Senate Bills

• Partial Financing:

• House: Surtax on individuals earning more than $500,000 per year / Couples: $1 million

• Unpopular in Senate
Known Differences Between House and Senate Bills'

• Partial Financing:

• Senate:

• 40% Excise Tax on “Cadillac” Insurance Plans that cost $8,000 for an individual and $21,000 for a family
- Decreases health care utilization
House Bill – H.R. 3962

• Universal mandate

• New National Health Insurance Exchange

• Subsidies for Low Income People

• Private Plans, Public Option, Non-Profit Co-op
**H.R. 3962: Key Disability Provisions**

- Major Insurance Market Reforms
- Prohibits:
  - Pre-Existing Condition Exclusions
  - Discrimination Based on Health Status
  - Annual and Lifetime Caps
- Policy Rescissions -- Requires Guaranteed Issue
H.R. 3962: Key Disability Provisions

• Rehabilitation and Habilitation services, durable medical equipment (e.g. wheelchairs) covered in new Insurance Exchange’s benefits package

• Includes “disability” for purpose of health disparities

• Requires development of standards for accessible medical equipment

- Expands eligibility to 150% federal poverty level (approximately $33,000 for a family of four) – with significant federal funding
- Increases reimbursement rates for primary care providers to Medicare rates with significant federal funding
- Prohibits cost sharing for prevention services
H.R. 3962: Medicaid, cont.

• Additional Aid for States:

• Six month extension on the American Recovery and Reinvestment Act’s increase to the federal share of Medicaid spending (FMAP)
Long Term Services and Supports

• Aging and disability communities working together
  – Disability and Aging Communities: Financing Principles for Long Term Services and Supports
  – Joint Letter to President Obama (96 national orgs)
  – Two major goals:
    • National LTSS insurance program – avoid impoverishment
    • Improve Medicaid – eliminate institutional bias
Community Living Assistance Services and Supports (CLASS) Act
S. 697/H.R. 1721

• New national LTSS insurance program
• Based on voluntary payment (opt-out) of premiums – vesting in 5 years
• Cash benefits for maximum consumer and family control
• Eligibility based on functional need
• No means-testing – no need for lifetime impoverishment
  – individual can continue to work
• Program can pay for itself AND take the LTSS pressure off the Medicaid program
• Passed in Senate HELP Committee bill
• Working for inclusion in merged Senate bill
• Included in House bill
• Issues
CLASS Act. cont:

- Passed in Senate HELP Committee bill
- Working for inclusion in merged Senate bill
- Included in House bill
- Issues
Community Choice Act (CCA)  
S. 683 / H.R. 1670

• Institutional Bias within Medicaid  
  – Nursing homes mandatory
  
  – Community-based services optional

• Americans do not have an equal choice

• Long waiting lists for community-based services and supports
Community Choice Act, cont:

- Would mandate Medicaid community-based attendant services and supports
  - Covers supervision, cueing, or hands-on assistance for a broad range of daily activities

- Cost estimates too high
Community First Choice Option

- First Step:
- State option rather than a mandate
- Same benefit as CCA
- Issues – Effective date, Sunset
  - Included in Finance Committee bill
  - Working to include in merged Senate bill
  - Sense of the Congress in House bill
Challenges to Passing Health Reform Legislation

• Paying for comprehensive reform
• Inclusion of a public plan to compete with private insurance plans, possibly non-profit co-ops.
• Determining which benefits will be included for the uninsured.
• Congressional Jurisdiction – multiple bills need to be melded into one
• Republicans and some Conservative & Liberal Democrats Opposed
Challenges, cont:

• Appease moderate & liberal Democrats
• Bi-partisanship
• 60 Senate votes
• Deficit Neutral/Spending Cuts
• Public response
Status

• House passage
• Senate: Two Committees’ bills Merged - Awaiting Congressional Budget Office Estimate
• Debate starts after Thanksgiving?
• Conference or “Ping-Pong”
• New deadline: Late January, 2010