

QUALITY, AFFORDABLE, HEALTH CARE FOR ALL

ReformsKool: *What's Hot in HCR* Issue 22 January 8, 2009

The Weekly Digest of the Health Care for All Campaign of the American Medical Student Association

The Capitol Beat: Recapping This Week's Action

Not feeling up to speed with theory, definitions, or AMSA's policies? As always at ReformsKool, we want to get everyone familiar with the language, concepts, and current status of the health care reform (HCR) process. AMSA is fighting hard to ensure that the legislation currently in Congress includes a strong and robust public insurance option at a minimum. For more details on AMSA's stance on health care reform and definitions, see page 3.

ping-ponging. After what we hope was a restful and joyous holiday vacation for all, RS is back as the hunt for meaningful health care reform continues. To be honest, prospects are looking as grim as the January weather here on the Eastern Seaboard. On December 24, the Senate passed HR 3590 on a 60-39 vote.

Since this vote, Democrats in both chambers, having finally realized that their efforts to court Republicans have been a spectacular failure, are giving up and now focusing on getting something -- really anything at this point -- passed. So, it has been suggested that Democrats are abandoning the formal Conference Committee process, traditionally used to reconcile legislation between the House and Senate, in favor of more informal negotiations among party leaders. This is a big step because Conference Committee, generally comprised of ranking members of committees of jurisdiction from both parties, presents an additional opportunity for Republicans to deploy procedural tactics to delay passage. It is anticipated that the House will first amend legislation before sending it back to the Senate for passage. This process is commonly referred to as ping-ponging.

There is also growing dissent among both Republicans and even some liberals with respect to the constitutionality of individual mandate provisions contained in both the House and Senate bills as passed. Such a mandate is argued by proponents to fall within the scope of the commerce clause in Article 1 of the Constitution which provides Congress with the power to regulate interstate commerce. Opponents of the individual mandate argue that mandating individuals to purchase health insurance is outside the scope of this power. Several state Attorney Generals are threatening to challenge these provisions should they become law.

President Obama has repeatedly affirmed his desire to sign health care reform legislation before he delivers the State of the Union address...presumably in 2010 although 2011 might be a safer bet.

Iyah Romm, Liz Wiley, JD, MPH, and Sylvia Thompson, MD



Authors/Editors/Dancers Needed!!

Submission Guidelines:

- Submissions should address a current domestic or global health care reform issue.
- Submissions may be up to 500 words.
- E-Mail submissions to brd.1@amsa.org.

Not a writer but want to be involved? What skills do you have? Come be an editor! Help with layout! Gather videos or create your own multimedia tools! We're ALWAYS looking for creative folks to help improve AMSA's newest and most exciting publication!

Sen. Sanders on Colbert!

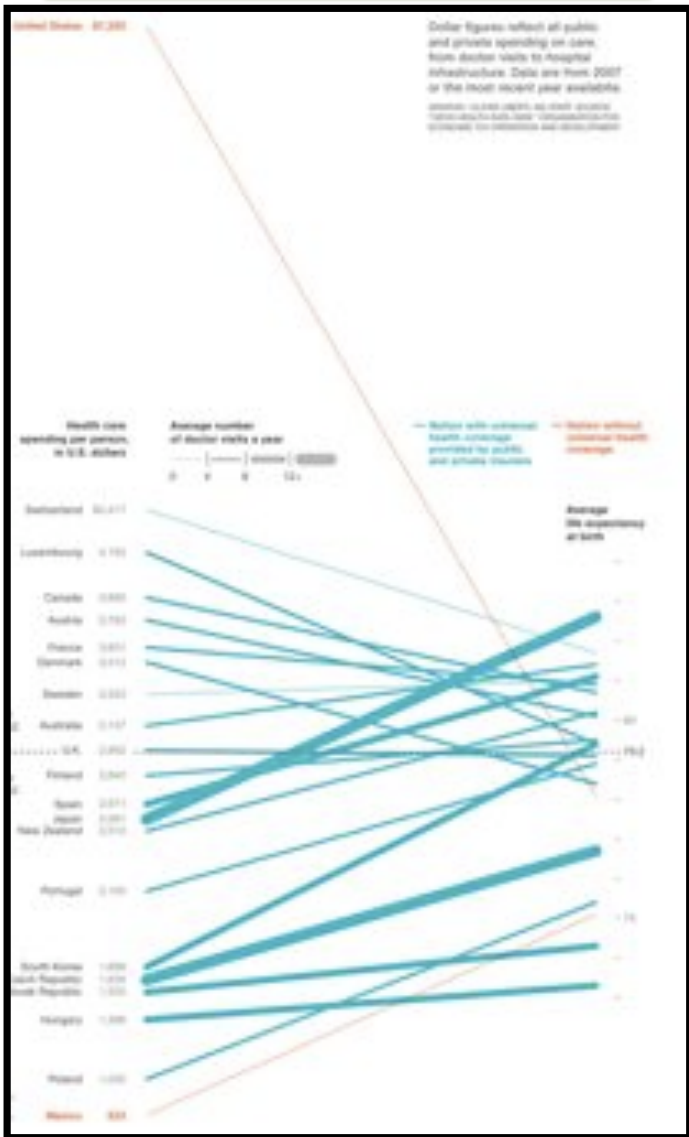


In the News...

- ["How interest groups behind health care reform are financed is often unclear" – Wash Post, 1/7/10](#)
- ["House Democrats to Pursue Health Bill Changes" – NYT, 1/5/10](#)
- ["Left & Right Agree: Health Care Mandates Are the Road to Neofeudalism" – Huff Post, 12/30/09](#)
- ["The not-so-sweet side of closing the donut hole" – Wash Post, 12/28/09](#)
- ["Doctors No One Needs" – NYT, 12/23/09](#)
- ["Battle Over 'Exchanges' Regulator" – WSJ, 1/8/10](#)
- ["US House Leaders Back Off Public Health Insurance Option" – WSJ, 1/5/10](#)

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U.S. Health Care Spending Compared



What's Left?

With the Senate passage of its version of health care reform legislation on December 24, Congress has now pretty concretely (although not entirely – backroom deals are still possible!) defined what is “on” or “off” the health care reform table. So what might be worth fighting for between the two bills?

- ✓ **The Public Option (House):** While not open to all immediately or publicly financed, the public option in the House bill still offers a desperately needed alternative for some in the Exchange. Unfortunately, virtually everyone on both sides of the aisle has declared the public option “dead.”
- ✓ **House Medical Loss Ratio (MLR) requirements**
- ✓ **Abortion:** Neither of the two bills is actually ideal but Stupak language in the House bill is a dealbreaker. The Hatch abstinence-only clause in Senate version also needs to go.
- ✓ **Medicaid Expansion:** House version would expand coverage to 150% FPL while the Senate would only increase to 133% FPL.
- ✓ **Immigrants:** Allow purchase of insurance immediately rather than imposing a 5 year waiting period; also permit illegal immigrants to obtain insurance through the Exchange (even if unsubsidized).
- ✓ **Physician Reimbursement:** Although both chambers removed SGR provisions from health care reform legislation, the House version of the bill would increase Medicaid primary care reimbursement (to Medicare levels).
- ✓ **Individuals with HIV:** House provision would permit individuals with HIV to enroll in Medicaid before they develop AIDS. It’s a keeper.
- ✓ **SCHIP:** The Senate bill would maintain and extend the program; the House bill would eliminate it and redirect current participants to Medicaid or the Exchange.
- ✓ **House Progressive Financing**
- ✓ **The Public Health Investment Fund (PHIF) (House) and the Community Health Center (CHC) Fund (Senate):** Both the House and Senate versions would create a fund to ensure increased appropriations for community health centers and the National Health Service Corps. The House version of the bill also provides this funding mechanism for some Title VII and Title VIII programs as well.
- ✓ **Teaching Health Centers (THCs):** Both the House and Senate versions provide some support for THCs but the Senate language would provide funding without forcing THCs to compete with Title VII programs in addition to establishing a more robust payment formula.

Cornhusker Kickback (n): Pejorative reference to the Medicaid deal brokered with Sen. Nelson (D-NE) to “buy” his vote for the Senate health care reform bill. The state of Nebraska’s Medicaid program will now be virtually 100% federally funded (in other states, Medicaid is financed cooperatively between the state and federal government).

It is rumored that Sen. Nelson is now in negotiations for to offer a similar deal to all states or a Medicaid expansion opt-out.

-- compiled by the AMSA Policy Team and Farheen Qarashi, AMSA’s Jack Rutledge Legislative Director

STAT

Want to let your legislators know how you feel about health care reform but don't have much time? Join STAT! STAT is a rapid response team of medical students. Members commit to 1-2 quick actions, taking 5-10 minutes, each month. To join, go to <http://groups.google.com/group/stat2009/>



Contact Congress Directly!

HOST a PNHP SPEAKER at YOUR SCHOOL!

Physicians for a National Health Program (PNHP) has speakers around the country ready to provide exciting lunchtime presentations (and FREE lunch!). To request a speaker, email Dave at dave@pnhp.org

All contributions are the work of the authors, and do not necessarily reflect the views or opinions of the American Medical Student Association. Please contact the authors, [Sylvia Thompson, MD \(policy.chair@amsa.org\)](mailto:policy.chair@amsa.org), [Iyah Romm \(lrvah.romm@amsa.org\)](mailto:lrvah.romm@amsa.org), or

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A Brief Overview of HCR

In 1993 the Clinton Administration attempted to pass comprehensive health care reform legislation. These efforts were quickly derailed due to strong opposition from Congress, who bristled at the top-down mandates favored by the White House. President Obama is attempting to circumnavigate these hurdles by allowing Congress to draft HCR legislation. Two different bills will eventually be created, one in the House of Representatives, and one in the Senate. These bills will then be reconciled and sent to the White House for President Obama to sign or veto.

•**House:** There are three committees in the House responsible for working on HCR. They have jointly written one bill, HR 3200. The “Tri-Committees” are Energy and Commerce, Ways and Means, and Education and Labor.

•**Senate:** There are two committees in the Senate working on HCR. The Health, Education, Labor, and Pensions (HELP) committee, which released a bill on June 9. The Finance Committee (FinCom) has not yet made their legislative language available to the public.

Single Payer, Public Options, and Co-Ops

Single Payer: A publically funded, privately delivered program like Medicare. Physicians and hospitals are independent entities, reimbursed by the government. This is NOT socialized medicine, where both the funding and the delivery are public (i.e. doctors are government employees). The Congressional Budget Office (CBO) has stated that a Single Payer health care system would save the U.S. \$3.5 trillion over 10 years.

Public Option: This maintains the current health insurance system, but adds a publically funded, privately delivered option. There are many forms that a public option can take. In the most robust of systems, all Americans are able to buy-in at sliding-scale rates that they can afford. In weaker public option proposals, specific criteria restrict eligibility to only a small portion of the population.

Co-ops: A group insurance plan composed of many not-for-profit entities (individuals or organizations) who act as self-insurers – collecting premiums in order to create a large risk pool to drive down costs. Co-ops would dictate premium and coverage variation state-by-state (50 co-ops in total would exist). The federal government would provide seed money for initial costs and capitalization. There has also been peripheral discussion of a national co-op.

AMSA's Stance on Health Care Reform

The American Medical Student Association believes that the best solution to our health care crisis is a single-payer system of publicly funded, publicly accountable, privately provided, Quality, Affordable, Health Care For All. In the current legislative environment, however, we consider the following to be **essential** to health care reform that has the potential to effectively contain costs, improve quality, and ensure access for all:

- Establishing a single, federally administered public insurance option, providing uniform benefits across the US, enacted concurrently with other provisions of health care reform and available to individuals and employers widely. The public plan must be allowed to set premiums and payment structure in negotiations with stakeholders, independent of other insurance plans, but subject to all federal insurance requirements.
- Requiring all insurers, public and private, to (1) guarantee issue of insurance to all; (2) set premiums by community rating, without regard to health status; (3) offer comprehensive benefits packages that meet a common actuarial standard; and (4) not institute annual or lifetime caps on benefits.

Further, AMSA actively advocates for:

- Establishing a public insurance option that further (1) makes use of the existing administrative infrastructure of Medicare to maximize operational efficiency; (2) receives a level of subsidy that is no less than that received by private plans.
- Structuring of provider payment to improve quality and promote prevention, primary care, the medical home, chronic care management, and public health.
- Subsidies to make purchase of insurance truly affordable and reasonable limits on out-of-pocket expenses to protect individuals and families from the catastrophic financial effects of serious illness.
- A standardized and defined benefit to apply to all insurance plans, which covers comprehensive services related to prevention, mental health, maternal and child health (including reproductive health), long-term care, vision, and dental care, as well as prescription drug coverage.
- Standards for transparently outlining benefits that will enable individuals to choose between plans based on objective information.
- Requirements that insurers take positive steps to decrease health care disparities based on region, income, minority status, gender and disability.

“We'll have the negotiations televised on C-SPAN, so that people can see who is making arguments on behalf of their constituents, and who are making arguments on behalf of the drug companies or the insurance companies” – Presidential Candidate Barack Obama, numerous times during the summer of 2008