

How Socialized Medicine (“ObamaCare”) Will Impact Your Choices, Pocketbook and Freedom*

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(FMI on CCHC’s **3R-Revolution** go to: www.healthcarefreedom.us)

The Basics:

- Patient Protection and Affordable Care Act (PPACA) of 2010 – 906 pages (print of 2700-page bill was condensed)
- Healthcare & Education Reconciliation Act of 2010 – 55 pages amending PPACA (print of 157-page bill condensed)
- December 24, 2009 – U.S. Senate passed the bill.
- March 21, 2010 – U.S. House passed the U.S. Senate bill
- March 23, 2010 – President Obama signed the bill into law (*date of enactment*)
- The Future – “When you’re going to pass legislation that will cover 300 [million] American people in different ways, it takes a long time to do the necessary administrative steps that have to be taken to put the legislation together **to control the people.**” (U.S. Rep. John Dingell (D-MI), 3/22/10)

Limited Choices - Insurance

- Insurance must be purchased by an employer or through a state, regional or national “health benefit exchange” run by government officials and political appointees.
- Federal officials will determine what health plans can be offered through the Exchanges.
- Only four levels of coverage allowed: bronze, silver, gold, and platinum (same plan/diff cost).
- Inexpensive true health insurance for the rare catastrophe is not allowed except for people under age 30 years. Only expensive prepaid health care plans will be available.
- Health plans may not rescind coverage *except* for an act of fraud or a misrepresentation of fact (*arbitrary determinations, as no definitions are provided*)
- Secretary of HHS has sole discretion to determine whether Health Savings Accounts will count as part of mandated coverage requirements.

Limited Choices – Treatment

- U.S. Secretary of Health and Human Services determines what medical services will be covered by all health plans.
- A 15-member Federal Coordinating Council for Comparative Effectiveness Research will make recommendations to the Secretary, but Secretary has sole power to decide.
- All health plans still able to impose annual limits and certain plans can impose lifetime limits.
- \$500 billion cut from Medicare.
- COVERAGE IS NOT CARE. A list of “covered” services is no guarantee of access to them.
- Only government-approved treatments to be provided (*or payment may be reduced*)
- **U.S. Senator Chuck Schumer (D-NY):** “Doctors who go overboard and provide tons of quantity and no quality will be disciplined here.”
- Independent Payment Advisory Board (IPAB) can impose rationing guidelines and may move to limit personal cash payments for medical services (*as Congress made law for Medicare in 1997*).

Limited Choices – Doctors

- As restrictions, government monitoring, expanded paperwork, cuts in reimbursement tied to compliance with government-issued treatment protocols, 2-yr. conscription to get student loan, and fear of undercover investigatory looking for “fraud, waste, and abuse” (*arbitrary decisions because the terms are not defined*) in both public programs and private insurers grows, expect physicians to leave the practice of medicine and medical students to choose other careers.
- Others may just “do their jobs” (*follow gov’t protocols rather than individualize medical treatment*)
- Expanded payments to primary care (family doctors/nurse practitioners/physician assistants).
- Reduced payments to specialists (*77 million babyboomers, many in need of specialty medical services (heart/orthopedics/transplants/replacements/cancer) begin to enter Medicare in 2012*).

- No more doctor-owned facilities may be constructed, but hospitals allowed to build. (Monopoly!)
- Fines *increased* from \$10,000/incident to \$50,000/incident for doctors who submit claims—bill— for treatments government considers inappropriate, unnecessary, waste, fraud or abuse.

Higher Costs

- 10-13% higher premiums for individuals, and \$2,100 more for families (CBO, Dec 2010)
- 18 new federal taxes (**21** if split individual and employer mandate, add the \$2/person insurer payment for Patient Outcomes Research Fund, and the charges for “Exchange” operating fees).
- Unfunded mandates (reporting to government, complying with new regulations, purchasing and maintaining required interoperable online electronic medical records (EMRs) – *the Stimulus bill imposes financial penalties on physicians and hospitals that refuse to purchase and operate data-collecting, data-generating EMRs*)
- \$503 billion to be collected in new taxes/fees from 2010-2019 (*Heritage Foundation chart*)
- Approximately 100 new bureaucracies, including “Health Choices Administration.”
- State taxpayers must cover most of the cost of expanding Medicaid entitlement programs.
- Higher premiums to cover the cost of new taxes, regulations, required services, and entitlements.
- All plans must offer and charge higher premiums to cover preventive care services whether you want them, need them or want to pay for them. (**NOTE:** *the Congressional Budget Office reports that such preventive services will increase costs, not decrease them*)

Government Surveillance/Intrusion

- UNCONSTITUTIONAL PENALTY IMPOSED – must be insured by 2014 with “qualified coverage” or pay penalty (up to 2.5% of income or \$695 for individuals; up to \$2,085 per family).
 - **Exceptions:** those with a “Religious Conscience Exemption,” those in “Health Care Sharing Ministry” (*see CCHC report online at cchconline.org*), illegal aliens, prisoners, “individuals who cannot afford coverage” (if required contribution is over 8 percent of income), members of Indian tribes, those out of work 90 days or less, and those who apply and receive a “hardship” waiver from the federal government.
- “Health Benefit Exchanges” empowered to monitor and report citizen insurance status.
- Employers required to report insurance status of employees, including SSN
- IRS to monitor & enforce insurance mandate (withhold tax returns/imprison/fine for tax evasion)
- Health plans to report private patient data on health status and treatment decisions through pending **National Health Information Network** (NHIN), which got \$20 billion in stimulus bill.
- Health plans to implement “wellness and health promotion activities” including intrusive questionnaires, interviews, and online weight management, nutrition, healthy lifestyles support, stress management, diabetes and heart disease prevention, physical fitness, smoking cessation.
- Expansion of gov’t fraud investigations to the privately insured (can send in “fake patients”).
- “*The new health care reform...includes rules for quality reporting, meant to amass data on provider outcomes and, ultimately, make payment contingent on quality care.*” – *Healthcare IT News*, 4/1/2010. (**NOTE:** “Quality” is not defined; Federal officials define it as “compliance”)

Discrimination

- Citizens making more than 400% of Poverty Guidelines (\$43,320-individual; \$88,200-family) will receive no subsidies to counter the higher premium costs.
- Middle class hit the hardest, including potential loss of medical deductions at tax time.
- Individuals NOT part of a labor union must pay 40% tax on high-cost health plans.
- Young and healthy expected to experience 70% increases in premiums to cover the cost of shifting the cost of the uninsured and the higher cost of care for the elderly to their insurance premiums. (*many are expected to pay the “insurance mandate fine” rather than buy insurance*)
- Marriage penalty – those without a spouse or living together can qualify for subsidies. Those with combined (married) incomes will find it harder to qualify, and thus pay more for insurance.
- The tax on high income earners are expected to hit small businesses hard because many small business owners run the company’s revenues through his or her own bank account.