

Union Members and Families —

What's in Health Reform for You?

AFSCME is waging a national campaign to protect and improve our health care, and to guarantee quality, affordable coverage for all. By 2019, 57 million Americans are expected to be uninsured, and employer spending on premiums is projected to rise by at least 72%. Union members cannot negotiate our way out of this crisis. Fixing the economy and effectively reining in costs means fixing health care comprehensively.

The U.S. House and Senate are each considering different reform bills. They will be merged into one final proposal that will be sent to Pres. Barack Obama for his signature. Currently, the House bill (H.R. 3962) meets the needs of working families best. It addresses the following critical issues, which we are fighting to keep in the final legislation that gets sent to President Obama's desk. Contact Congress today!

Questions and Answers	
<p>Can I keep my current health plan and doctors? Will there be new choices?</p>	<p>YES. Most Americans will keep their current plan or have new choices.</p> <ul style="list-style-type: none"> • Workers and their dependents will keep their employer-provided health plan and doctors or continue to use Medicare, Medicaid and veterans' care. Unions will continue to negotiate benefits. • Small businesses and individuals who buy coverage on their own – or do not have access to affordable coverage at work – will be able to buy a variety of quality health plans through a new health insurance buying pool known as the "Exchange." The pool will have group rates and sliding scale coverage and will be offered in every state. Larger employers will be added over time. • Medicaid, at a minimum, will be expanded to adults earning up to \$16,245 per year.
<p>Offers a choice of a public option?</p>	<p>YES. Reform includes the choice of a new public insurance option.</p> <ul style="list-style-type: none"> • Participants who enroll in the new "Exchange" pool can choose between private health plans or a quality, nonprofit, public insurance plan option. Participation is voluntary. This public option will be similar to Medicare, but available for people under age 65, with no insurance "middleperson." • The public option will help lower costs in all health plans by setting quality standards and offering good value, competitive prices and benefits to keep HMOs and other insurers from overcharging. <ul style="list-style-type: none"> ○ FIGHT BACK! Some Senators oppose the choice of a public option or want to weaken it.
<p>Holds down rising health insurance costs for union members and for states?</p>	<p>YES. Reform reduces health costs, providing more money for wages.</p> <ul style="list-style-type: none"> • The cost of care for the uninsured raises premiums for insured persons \$1,100 per year on average. Governments also pay for this "uncompensated care" provided by hospitals and doctors. This cost shift, and the stress on public budgets and public workers, will diminish as everyone is covered. • Improvements in quality and other system changes will keep premiums down and reduce costs. Hospital re-admissions will be reduced. Care coordination and training for health care providers will increase. New payment policies will encourage quality care and lower Medicaid and Medicare drug prices. Insurance regulations will be strengthened. The public option will end the monopoly enjoyed by private insurers. Research on effective treatments will be expanded. Limits will be set on the percentage of premiums that insurers can use for profits, versus patient care. <p style="text-align: right;">(over)</p>

<p>Can we pay for reform without hurting working families or adding to the deficit?</p>	<p>YES. Reform will decrease the deficit and help families buy coverage.</p> <ul style="list-style-type: none"> • President Obama pledges that reform will “not add a dime to the deficit.” The nonpartisan Congressional Budget Office projects that reform will <i>decrease</i> the deficit. • Via the new “Exchange,” new tax credits will make affordable insurance available for people earning up to \$43,320 or \$88,200 for a family of four. Many small businesses will also receive subsidies to buy insurance for their workers. • Progressive ways to pay for reform include: enacting a public option; increased employer responsibility; raising income tax rates on the top 1 percent of earners; cutting overpayments to private Medicare plans; curtailing drug prices; improving health care delivery and more. <ul style="list-style-type: none"> ○ FIGHT BACK! <i>Some Senators have proposed a harmful 40 percent “excise tax” on higher-cost health plans. This would be passed on to workers and cause benefit cuts.</i>
<p>Will states save money under reform?</p>	<p>YES. States will contribute to reform and save money.</p> <ul style="list-style-type: none"> • In their capacity as employers, providers and payers of health care, states will be able to save billions of dollars under reform. In addition, to cope with growing Medicaid rolls, reform provides \$23.5 billion to states in federal Medicaid funding on top of what was included in the 2009 American Recovery and Reinvestment Act. However, states will be required to pay for up to 10 percent of the costs for newly-eligible Medicaid enrollees. States will also be required to pay for any new increase in enrollees who meet current eligibility guidelines. <ul style="list-style-type: none"> ○ FIGHT BACK! <i>AFSCME is working to ease the burden on states.</i>
<p>Improves coverage for retirees?</p>	<p>YES. Retiree benefits will be improved.</p> <ul style="list-style-type: none"> • Medicare will be preserved and will offer needed new benefits, such as free preventive care. • Many employers will receive a subsidy to maintain their health benefits for pre-Medicare retirees. • The prices paid by retirees for many prescriptions in the Medicare drug benefit “donut hole” will be cut in half. Over time, this coverage gap will be eliminated, saving retirees thousands per year. • Overpayments to private HMOs and insurance plans that replace traditional Medicare will be cut, freeing up dollars to protect Medicare, reduce retiree premiums and increase benefits. • Creates a voluntary long-term care insurance program for adults who become disabled.
<p>Stops insurance company abuses?</p>	<p>YES. Strong new rules on insurers will protect patients and fight insurance company abuses.</p> <ul style="list-style-type: none"> • Insurance companies will be <i>prohibited</i> from: imposing annual or lifetime coverage limits; refusing to cover “pre-existing conditions”; denying coverage; or increasing rates based on occupation, health condition or gender. Age-based rate increases will be substantially reduced. • Individuals and small employers will have more buying clout in the new “Exchange.” This clout and the public option will keep insurers accountable and improve quality and costs for all of us.
<p>Requires employers to pay for coverage for their workers?</p>	<p>YES. Employers must provide health care or contribute to coverage.</p> <ul style="list-style-type: none"> • Employers must pay at least 72.5% of their workers’ premiums (65% for family coverage) or up to 8% of their payroll into a fund for workers’ coverage. Very small employers will be exempt. • Employers also must contribute for part-timers on a sliding scale. This promotes fair competition and prevents employers from dumping the costs of their uninsured onto everyone else. <ul style="list-style-type: none"> ○ FIGHT BACK! <i>Some Senators want to reduce or eliminate the employer mandate.</i>
<p>Reduces pressure to privatize jobs?</p>	<p>YES. Requiring employers to pay for coverage fights privatization.</p> <ul style="list-style-type: none"> • Right now, private contractors that do not provide health care provide cheap bids to do the work that takes away our jobs. Reform will require employers to pay for coverage. • Reform will also provide savings to states and loosen tight public budgets. This and the employer mandate will reduce pressure on employers and lawmakers to cut our jobs.