



# Fact Sheet

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## On Health Insurance Reform, GOP Won't Take "Yes" for an Answer

Senate Democrats remain committed to ensuring that all Americans have access to quality, affordable health care, and to creating the transformation within our health care system necessary to contain costs and improve quality. Senators spent well over a year considering a range of ideas on health insurance reform from experts from across the political spectrum. The two committees of jurisdiction, the Finance Committee and the Health, Education, Labor and Pensions (HELP) Committee, held 100 bipartisan meetings to discuss and walkthrough policy ideas, negotiate compromises, and consider legislation.

The resulting legislation, the *Patient Protection and Affordable Care Act*, is fully paid for, ensures that more than 94 percent of Americans have health coverage, reduces the deficit by \$132 billion over the next ten years with additional deficit reduction in the following decade, and includes 147 distinct Republican amendments, in addition to the Republican ideas and suggestions incorporated as the legislation was drafted. Yet, the GOP continues to insist its ideas aren't included and Senator McConnell recently asserted, "We've had a number of different ideas, none of which are in the bill." [Meet the Press, [1/24/2010](#)] The truth is, when it comes to health insurance reform, the GOP simply won't take 'yes' for an answer.

Since the Senate GOP leadership has yet to issue a comprehensive health insurance reform plan, this report analyzes the House GOP health reform plan. [GOP.gov, [11/4/2009](#)]

**Lowering health care premiums.** Democrats embrace the first 'key element' of the House GOP plan on health reform, lowering health care premiums, and the *Patient Protection and Affordable Care Act* (PPACA) delivers. [GOP.gov, [11/4/2009](#)] The Congressional Budget Office (CBO) found that Americans buying policies in the individual market comparable to what they have today will see premiums fall by 14 to 20 percent under the Senate-passed legislation. [CBO, [11/30/2009](#)]

**Affordable health care for those with pre-existing conditions.** The second key element of the House GOP plan is the creation of "Universal Access Programs that expand and reform high-risk pools and reinsurance programs to guarantee that all

Americans...have access to affordable care...” [GOP.gov, [11/4/2009](#)] While they aren’t called ‘Universal Access Programs,’ the *Patient Protection and Affordable Care Act* includes each of these elements.

- Prohibition on preexisting condition coverage exclusions or any other discrimination based on health status. [PPACA, Section 1201, [12/24/2009](#)]
- Immediate access to insurance for people with preexisting conditions through a \$5 billion high risk insurance pool. [PPACA, Section 1101, [12/24/2009](#)]
- Reinsurance for early retirees, to reimburse participating employment-based plans for part of the cost of providing health benefits to retirees not eligible for Medicare (age 55-64) and their families. [PPACA, Section 1102, [12/24/2009](#)] The bill also includes a transitional reinsurance program for the individual and small group markets in each state for the cost of insuring high-risk individuals. [PPACA, Section 1341, [12/24/2009](#)]

**Medical liability reform.** The third key element of the House GOP plan is “enacting medical liability reforms modeled after the successful state laws of California and Texas.” [GOP.gov, [11/4/2009](#)] It’s no secret that Democrats and Republicans have different views on medical liability reform, and many experts would disagree with calling experiments in states like Texas and California “successful.” However, recognizing the need to address this issue, the *Patient Protection and Affordable Care Act* includes provisions to assist states in testing alternatives to civil tort litigation. [PPACA, Section 10607, [12/24/2009](#)]

**Ending unfair rescissions.** “The GOP plan prohibits an insurer from cancelling a policy unless a person commits fraud or conceals material facts about a health condition.” [GOP.gov, [11/4/2009](#)] So does the *Patient Protection and Affordable Care Act*, through an immediate ban on rescissions except in cases of fraud or misrepresentation. [PPACA, Section 1001, [12/24/2009](#)]

**Assistance for small businesses.** “The GOP plan gives small businesses the power to pool together and offer health care at lower prices...” [GOP.gov, [11/4/2009](#)] The *Patient Protection and Affordable Care Act* provides small businesses access to state-based Small Business Health Options Program (SHOP) Exchanges, including web portals that provide standardized, easy-to-understand information that make comparing and purchasing health care coverage easier for small business employees, and reduce the administrative hassle that small businesses currently face in offering plans. [PPACA, Section 1311, [12/24/2009](#)] The *Patient Protection and Affordable Care Act* also includes tax credits for small businesses to help them provide health insurance for their employees. [PPACA, Section 1421, [12/24/2009](#)]

**Encouraging innovative state programs.** Democrats share the GOP’s goal of encouraging innovative health programs in the states, the sixth key element of the House GOP plan. [GOP.gov, [11/4/2009](#)] The *Patient Protection and Affordable Care Act* includes flexibility for states to establish basic health programs for low-income individuals who are not eligible for Medicaid, and includes a waiver of nearly all aspects of the legislation for states to chart their own course in providing affordable,

comprehensive health insurance coverage for their residents. [PPACA, Sections 1331 and 1332, [12/24/2009](#)]

**Allowing Americans to buy insurance across state lines.** Provisions included in the *Patient Protection and Affordable Care Act* related to selling health insurance across state lines represent a true compromise between traditional Republican and Democratic views on this issue. The legislation allows for interstate health care choice compacts, through which health insurance can be offered in all participating states. [PPACA, Section 1333, [12/24/2009](#)] In addition, the Office of Personnel Management (OPM) will contract with health insurers to offer at least two multi-state health plans (one of which will be non-profit) through State Health Insurance Exchanges. [PPACA, Section 10104, [12/24/2009](#)]

**Promoting healthier lifestyles.** “The GOP plan promotes prevention & wellness by giving employers greater flexibility to financially reward employees who adopt healthier lifestyles.” [GOP.gov, [11/4/2009](#)] The *Patient Protection and Affordable Care Act* permits employers to vary insurance premiums by as much as 30 percent for employee participation in certain health promotion and disease prevention programs. [PPACA, Section 1201, [12/24/2009](#)] The legislation also includes grants to assist small businesses in providing comprehensive workplace wellness programs for their employees. [PPACA, Section 10408, [12/24/2009](#)]

**Allowing dependents to remain on their parents’ policies.** “The GOP plan encourages coverage of young adults on their parents’ insurance through age 25.” [GOP.gov, [11/4/2009](#)] The *Patient Protection and Affordable Care Act* also extends dependent coverage on a parents’ health insurance policy through age 25. [PPACA, Section 1001, [12/24/2009](#)]

Of the ten key elements in the House GOP plan for health insurance reform, just one is not included in the *Patient Protection and Affordable Care Act*: the Senate-passed bill does not expand Health Savings Accounts (HSAs) as Republicans would like. Given the number of the ideas advanced by the GOP included in the bill, it’s time for congressional Republicans to get serious about enacting meaningful health reform this year. The American people have too much at stake to allow business as usual in Washington to block reform.