



Communicating for America
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Congress is expected this week to take up the issue of repealing the federal health care reform law (commonly known as PPACA). While it is expected to be approved by the Republican-controlled House, but not by the Democratic-controlled Senate, there is definitely room for improvements within the current law, particularly those that would improve American's access to health insurance. Rather than posturing over "repeal and replace", and whether PPACA will ultimately save or cost taxpayers money, lawmakers should focus on responsible reform.

CA and other national associations have endorsed health insurance for their members, who have to purchase their own health insurance premiums. Association Member Enrollers, who are also licensed insurance agents, have serviced those members for many years. They are needed today, and will be needed in the future.

Here are bi-partisan changes to PPACA that could quickly increase the number of Americans with health insurance, and begin to bend the curve of rising costs. Some of these changes are rooted in Minnesota's experience.

1. Simplify eligibility rules, lower premiums and increase awareness of The Pre-Existing Condition Insurance Plan, a little known part of PPACA, which allows those denied health insurance in the individual market guaranteed coverage through state run purchasing pools. PPACA provided \$5 billion in subsidies to states. Thus far, only 8,000 have enrolled. Experts estimate about two million are eligible. Minnesota's own risk pool, known as MCHA, is the most successful in the country. It succeeds because rates are low, and because insurance agents steer customers toward the plans. Congress should re-direct the \$5 billion in funding to spend more on promotions, compensate agents for referrals. Open the plans to enrollment on commercial websites like www.ehealth.com, allow less expensive plans to be offered, and open the pools and subsidies to wider segment of population. Currently, you are only eligible if you were uninsured within a narrow window of time.

2. Make the health insurance mandate workable. Whether the mandate is found to be constitutional or not, it will not achieve its goals as currently structured. For those that don't comply, it will assess penalties that many will ignore, to be enforced by an Internal Revenue Service that acknowledges it lacks the resources to do it. Starting in 2014, many who do buy health insurance will pay more than they do today, to be partially offset by federal subsidies for those at certain income levels. This will lead to an environment in which people opt-in and opt-out of health insurance based on their perceived need and

their personal and cultural bias toward ‘insurance’ of any sort. Instead, we should create an incentive-based environment with rewards for those who enroll for coverage at pre-determined, ‘open-window’ periods. If you elect coverage at other times, you are subject to a waiting period for pre-existing conditions and would be required to pay more, or lose a tax deduction or credit. The longer you retain continuous coverage, the greater the tax rewards; when you opt in-and-out, the more significant the penalty.

3. Give states more authority to develop reforms. Too many state governments are putting their energies into stopping PPACA. To turn the tide, Congress should encourage state reforms, like those that work well here in Minnesota. Medical costs are below national average; the rate of insured are above average; there is a competitive market for a variety of plans; wellness and preventative care actions are encouraged from the grassroots level – not just dictated by regulators from the top down. We have long understood that improved literacy and graduation rates directly correlate to more people with health insurance. PPACA unfortunately puts federal reforms at the forefront, and only in seven years does it encourage states to innovate. U.S. Senators Ron Wyden (D-Ore.) and Scott Brown (R- Mass.) have introduced legislation that would speed up the timeline for state experimentation. If states had authority to act quickly, and were given rewards for success, the cost curve would bend sooner, and more people would have coverage.

4. Begin to look at the 50 million uninsured not as a homogenous group, but a sub-set of 8-10 cultural and socio-economic niches. A one-size-fits all solution means some will be worst situated, while the lot for others is improved. The following ideas have had bi-partisan support over the years: Begin to move eligibility for Medicare to age 62. This would reduce the uninsured by up to one million. Change the dependent coverage to age 27. This could add 250,000 to the insured roles. Strengthen requirements for foreign workers to have health insurance. And instead of limiting the criteria for Health Savings Accounts, make more plans eligible for H.S.A. status, but with penalties that shrink tax-deferred account balances if health insurance is dropped. In addition, there should economic incentives for annual improvements in health status – starting at an early age.

But most importantly, we, the people, should let our elected officials know that ‘compromise’ is not a dirty word. The tragedy of PPACA is -- as currently structured -- it might deliver too little, because it promises too much. Its complexity could result in so much upheaval that the cost and bureaucracy of implementing it could eat up much of its potential economic savings and all of its political capital. But repealing it is even worse. Republicans and Democrats should come together . . . for the health of all Americans.

Ben Schierer is Vice President of Government Relations for Communicating for America-Communicating for Agriculture (CA), a rural, non-profit, non-partisan organization with members across America and whose national headquarters are in Fergus Falls, MN. CA has been working for affordable health care for rural America for more than three decades. !