



# RESPONSIBLE REFORM FOR THE MIDDLE CLASS DEMOCRATS.SENATE.GOV/REFORM

## Health Insurance Reform FAQ

**Q: The majority of Americans have health insurance, can afford it, and are happy with their doctor. Why do we need to “fix” the system?**

- ✓ Right now, the health care system is unsustainable for American families, American businesses, and federal programs like Medicare.
- ✓ Premiums are skyrocketing and thousands of Americans are losing their health insurance every day.
- ✓ Health insurance reform will lower costs for Americans and make health care an affordable option, not a luxury purchase.

**Q: Democrats claim we will be able keep our health care coverage if we like it but Republicans say we won't. Who's right?**

- ✓ A large number of Americans are happy with their doctor and with their coverage and no one wants to - - or will - - take away coverage from millions of Americans who are happy with their doctors.
- ✓ Health insurance reform protects existing coverage, and encourages employers to maintain it.
- ✓ Americans who are not satisfied with the current coverage will have new choices and competition in the market will create stable health care options for all Americans.

**Q: President Obama said health care reform can't add to the deficit. But Republicans claim reform will cost trillions. Who's right?**

- ✓ Improving health care in America requires investments – and those investments must and will be fully paid back.
- ✓ Health insurance reform will reduce costs and will include targeted revenue increases focused on those who gain most from the reforms.
- ✓ Through this carefully balanced and responsible approach, the President and Congress will find ways to pay for health insurance reform.

**Q: How would a public plan work?**

- ✓ Americans in the small group and individual market will have the option of selecting health coverage from a publically-run plan.
- ✓ The public plan would be offered through the health insurance exchange and would compete on a level playing field with private insurance plans that in turn would reduce costs and improve services.
- ✓ Premiums for a public option would be competitive because this plan would not have administrative costs, such as marketing, advertising, executive salaries, and profits, that many private plans have.

**Q: Some members of Congress are talking about a co-op as an alternative to the public option. How would that work?**

- ✓ A cooperative is a model that would compete with for-profit insurance companies. The goal of a co-op is to put a check on private health insurers and bring health care costs down.
- ✓ A health care cooperative would be operated and controlled by its members.
- ✓ Washington and Wisconsin already have successful health care cooperatives.

**Q: The President and some Democrats have argued that employers should be required to provide insurance. Republicans claim that such a move would force companies out of business – who’s right?**

- ✓ If employees receive taxpayer dollars to help them afford health insurance coverage, then employers should share some of the responsibility.
- ✓ Many employers, including Wal-Mart, agree with this approach.
- ✓ Companies shouldn’t be able to get a leg up on competitors simply by removing health insurance coverage for their employees.
- ✓ For those Americans that like their coverage and want to keep it, this idea helps ensure they can.
- ✓ Not only is this idea good for employees, it also helps employers because it puts businesses on a level playing field.
- ✓ Health insurance reform will not burden small businesses; in fact, they will receive credits to assist with the cost of offering their employees health benefits.

**Q: What are politicians talking about when they refer to ‘bending the cost curve?’**

- ✓ Bending the cost curve means slowing the out-of-control growth in medical spending.
- ✓ That means making sure the entire health system spends less.
- ✓ We can do this by making care more efficient and creating incentives for prevention and wellness so people don’t get sick in the first place and won’t have to rely on costly forms of treatment like visiting the emergency room.
- ✓ We can also invest in health information technology to help coordinate care and reduce health care costs.

**Q: Republicans claim medical malpractice reform is necessary to reform the system. Why aren’t Democrats considering this as a part of their reform?**

- ✓ Malpractice costs represent less than two percent of total health care spending.
- ✓ Medical malpractice *claims* represent only one-fifth of one percent of health care costs.
- ✓ Not one of the 46 states that have enacted medical malpractice reform have lowered health care costs.

**Q: Are Democrats proposing to cover illegal aliens?**

- ✓ Only legal residents of the United States will have subsidized coverage under current proposals.

**Q: What’s a health insurance exchange?**

- ✓ A health insurance exchange creates a more organized and competitive marketplace for health insurance.
- ✓ An exchange lets you have control over your health care – you’ll have a choice on what type of insurance you want. And health insurance companies will compete for your business.
- ✓ This means that if your employer doesn’t offer insurance, you will be able to shop around and find the plan that best fits your needs.

**Q: What’s a single-payer system and why isn’t the Senate considering that?**

- ✓ A single-payer system is when the government pays doctors, hospitals and other care providers from a single entity, like a government agency or fund.
- ✓ The Senate isn’t considering that because we don’t want government to dominate the health care industry. We want to increase competition in the marketplace, not eliminate it.