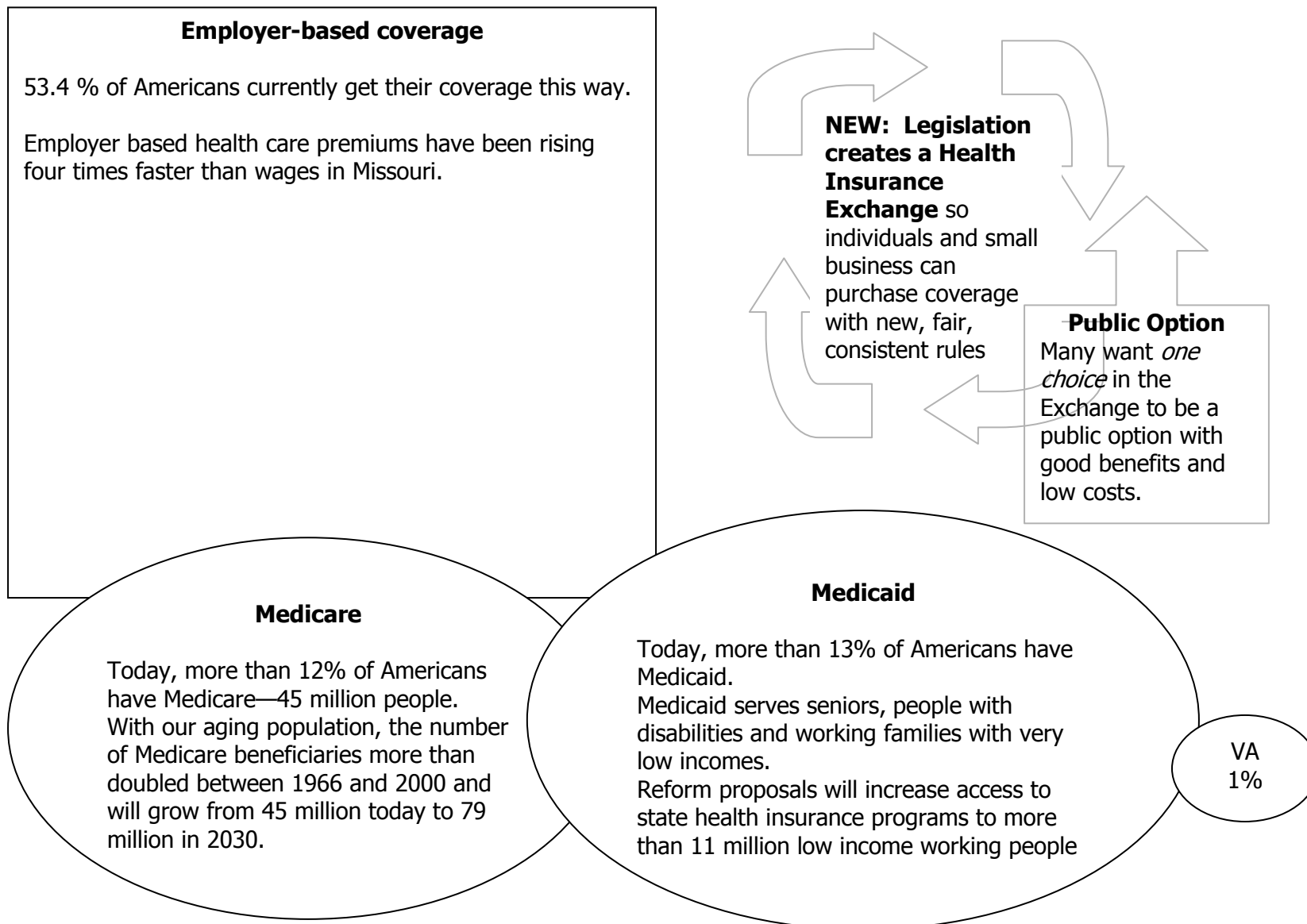


What will our health coverage system look like if the basic building blocks of health reform proposals are made into law and implemented over time?



Want more info about health care and health reform? Try the Kaiser Family Foundation www.kff.org

Reform proposals do not make you change your health coverage if you like what you have. Most of us will be able to keep the health insurance coverage we have.

EMPLOYER COVERAGE:

- Current proposals continue employer based coverage. Some proposals phase in affordability provisions, and access to the Exchange in large group insurance coverage over time.
- If you get coverage through an employer, this will not change unless your employer decides to stop giving coverage, as many employers are doing right now.

MEDICARE, MEDICAID and the VA

- We already have good public insurance programs that have low administrative costs.
- Medicare and Medicaid will be strengthened with reform proposals.
- As many as 11 million low income workers will have access to affordable coverage with expansions of State health insurance programs under Medicaid. Insuring these families with Medicaid is much more cost effective than subsidizing their coverage in the private market.

HEALTH INSURANCE EXCHANGE OR GATEWAY: Individuals and Small business without coverage will have guaranteed access to coverage and affordable choices.

- Small businesses and individuals without access to other forms of coverage will be able to purchase insurance in the new Exchange. There will be choices and guaranteed access to coverage—even if you have preexisting conditions.
- Congress will set several tiers of plans, and insurance companies who offer the plans will have to follow the new rules, such as controls on premiums costs and guaranteed issue (can't turn you down because of health status).
- The proposals can protect the consumers in other ways: you will be able to compare plans apples to apples. There will be transparency and consumer protections. It's possible that Congress can even limit advertising and other practices that can mislead consumers and drive up costs.
- One thing that Congress has not agreed on is whether *one choice* in this exchange should be a quality public insurance option. The best example to think of is Medicare. Everyone over 65 has access to Medicare, and no matter where you live or how much money you make, you have the same basic benefits, cost controls and access to providers. A good "public option" would design a plan that meets the needs of individuals under 65 with a program of comprehensive benefits and limited costs. People would still pay for the public plan with premiums and would still have reasonable co pays, just like other types of coverage.
- Premium subsidies would be available to some people in the Exchange if their incomes are below 400% of poverty **and** their premium costs exceed 12% of their income (sliding scale goes down to 2% of income for those at 100% of poverty).