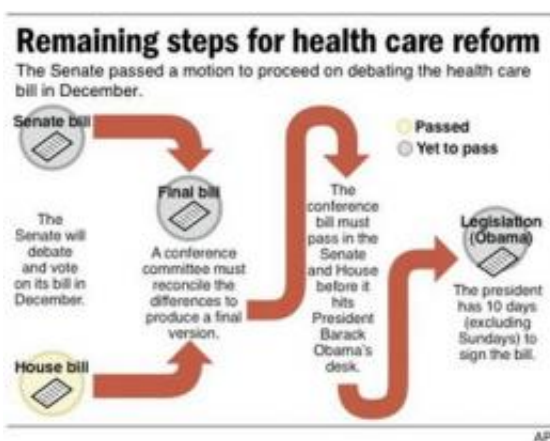


# Understanding the pros and cons of health overhaul

November 28 2009, By RICARDO ALONSO-ZALDIVAR , Associated Press Writer



Graphic shows the process of making the health care reform bill into law

(AP) -- Maybe you've been reading the health care bill in your spare time. Then perhaps you can answer this question:

If Congress makes history and puts a bill on President Barack Obama's desk by Christmas, how long before the uninsured get [medical coverage](#)?

If you said three years or more, you'd be right. Yet many people don't realize that to keep costs down, lawmakers made compromises that might not appeal to consumers.

"There's going to be a long period of great expectations and very modest

deliveries," said economist Robert Reischauer, president of the Urban Institute public policy center. That's assuming Democrats prevail.

Some questions and answers on the House-passed bill and the version the Senate will begin debating in the week ahead; both measures were written by Democrats:

Q: How many people would be covered?

A: The [Senate bill](#) would cover 94 percent of eligible Americans under age 65; under the House bill, it's 96 percent.

That's a major improvement over the 83 percent now covered, but the safety net would have holes.

Some 16 million eligible people would remain uninsured under the Senate bill and 12 million under the House bill, according to the Congressional Budget Office. That's not counting illegal immigrants, who would not be eligible for government assistance under either bill.

Both bills would eventually require Americans to get [health insurance](#), or face fines.

Q: Why don't lawmakers just provide coverage for everyone?

A: Part of the reason is it would cost more, at least \$250 billion over 10 years. The president wants to keep the total cost to about \$900 billion. But it means workers and their families would be more than twice as likely to be uninsured as older people, virtually all of whom are now covered by Medicare.

Q: How affordable is the new middle-class coverage going to be?

A: It depends.

Most people would remain in their employer plans. Self-employed people and those working in small businesses would be able to buy coverage through a new insurance marketplace, with government subsidies available for many.

The aid is substantial for lower-income households, but drops off rapidly for the middle class.

Under the House bill, a family of four headed by a 45-year-old making \$44,000 a year would pay roughly \$2,400 in premiums, or \$200 a month, according to the Kaiser Family Foundation.

A similar family making \$66,000 would pay about \$6,580 in premiums, or about \$550 a month.

That's a bargain compared to current rates, which can top \$1,000 a month, but it still may be too much for some family budgets. About one-third of the uninsured say they'd be able to pay \$200 a month in premiums, and only 7 percent say they can afford \$400.

Q: Twenty-year-olds don't have many health problems. Would they be required to get coverage?

A: You bet.

Unmarried children could stay on their parents' plan until age 27 in the House bill, 26 in the Senate plan. That change would start in 2010.

But those buying coverage for themselves could be in for sticker shock. Insurers now charge the young and healthy much less than middle-age people who are more likely to get sick. Under both bills, age-related

premiums would be limited. So the young would pay more than they do now.

"The people who are going to do best are older people with a problematic medical history," said health policy expert Paul Ginsburg, of the Center for Studying Health System Change.

Q: These bills are going to ban pre-existing conditions, right?

A: Yes, but not immediately.

Both bills would forbid insurers from denying coverage to people in poor health or charging them more. That would happen in 2013 under the House bill, and 2014 in the Senate's.

The reason for the delay is that it would be unfair to require insurers to take all applicants right away. The sick would sign up, but healthy people would probably wait until they faced the threat of government fines. Such a situation could raise premiums for everyone.

Q: So if I have a health care problem, I might still have to wait three years to four years for coverage?

A: At Obama's request, [lawmakers](#) tried to take care of that by setting aside \$5 billion for temporary "high-risk" insurance pools to provide affordable coverage for people whose health is frail.

But there's a problem with the patch.

According to the Congressional Budget Office, the money would run out in 2011 unless Congress pumps in more cash.

Q: Older people are concerned about what's going to happen to

Medicare. Should they be?

A: Even though cuts in Medicare payments to hospitals and other providers are paying for much of the cost of covering the uninsured, benefits under traditional Medicare aren't reduced.

But those who've signed up for private insurance plans through Medicare Advantage could lose valuable extra benefits, according to the budget office.

For years, the government has been paying the private plans more than it costs traditional Medicare to deliver similar services. The plans used the money to provide extra benefits - mainly lower copayments and deductibles.

Both bills offer cheaper prescription drugs to those who fall into the "doughnut hole," the Medicare coverage gap. The House bill gradually would eliminate the gap. Both bills also provide better coverage for preventive care.

On the Net:

Comparing the bills: <http://tinyurl.com/yeshhgv>

Congressional Budget Office: <http://www.cbo.gov/>

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