



How the "Affordable Health Care for America Act of 2009" measures up to "A Faith-Inspired Vision of Health Care"

House bill H.R. 3962 — Working toward our health care future

(updated from the document originally written for H.R. 3200)

We are living through an unprecedented opportunity to create a health care future that includes everyone and works well for all of us. Those of us in faith communities believe that such a future must be grounded in the sacred bonds of our common humanity and reflect faithful stewardship of our abundant health care resources.

When that future moves from vision to reality, one in six children and non-elderly adults in our country will no longer have to live sicker and risk dying younger because they cannot get needed health care. Medical expenses will no longer be a cause of financial ruin for families, individuals, institutions, businesses, and governments. All of us will have the quality health care we need regardless of our age, income, race, gender, pre-existing conditions, sexual orientation or place of residence.

Perhaps the greatest stumbling block in moving toward that reality is the fact that as a nation we have never made a national legislative commitment to guarantee needed health care for everyone who lives here. As a result, we argue about whether we should increase access, reduce costs, add or reduce benefits in public programs, increase income eligibility for public assistance, institute cost controls, improve delivery, and more. The current debate over such details demonstrates that it is not a lack of policy creativity or resources to move us forward. It is the lack of a moral vision and the political will to use our abundant resources in service to the common good.

People of faith have sought to change that by offering "A Faith-Inspired Vision of Health Care" as a statement of the shared values which inform our health care reform efforts – and as a measure by which legislative proposals for reform can be considered. By identifying where the legislative proposals do/do not reflect values of community, human dignity, shared responsibility, compassion, faithful stewardship, and special concern for those who are vulnerable, we will be at the heart of the transformation that will be needed to help shape our health care future.

This document, which focuses on House bill H.R. 3962, the "Affordable Health Care for America Act of 2009" is part of a series being written to help people of faith reflect upon health care reform legislation through the perspectives of moral values and the lens of justice. The reflections will be expanded, edited, and revised as new information becomes available and as amendments change the proposals.

It is NOT about “may the best plan win”

There is no *perfect* way to provide health care for the 300 million people living in the United States. But we all know there has to be a better way. Our 150-year old jumble of law, policy, tradition, technology, bureaucracy and practice has resulted in an oversized and inefficient machine that consumes resources disproportionately to what it produces. It’s increasingly clear that if we were to start from scratch, we would design a U.S. health system that looks very different than what we have today. While we can’t start from scratch, we know we do need to move forward on a complete system overhaul, not just more tinkering.

Legislative considerations for health care reform over the last century mostly have been “pure form” models which focused on financing – models in which the author proposed the elimination of either public or private insurance. While there are still strong proponents of the exclusively public or private models, the current proposals have moved in the direction of hybrid models that attempt to maintain and improve both public and private roles, and knit them together more effectively to eliminate gaps. This, in part, is due to the broad recognition that health care reform must be more than just financing health care or reforming insurance. It must also address quality, delivery, costs, and disparities to make quality affordable health care for all a reality.

It IS about a moral vision for our health care future

The pages which follow will present an overview of current legislative efforts, beginning with what is currently understood about the House of Representatives bill H.R. 3962 – the “Affordable Health Care for America Act of 2009.” It will be updated as needed, and information on the Senate bill will be added once the Senate Finance Committee completes its work. Ultimately, this document will address the final consensus bill that will move through the Senate and House of Representatives.

It is often said that the moral test of a society is how that society treats those who are in the dawn of life – *the children*; those who are in the twilight of life – *the elderly*; and those who are in the shadow of life – *the sick, the needy, and the differently-abled*. Out of this framework the most basic questions of health care justice arise and must be answered as legislative efforts move forward:

Who is included in the proposals? Who is still out?

Who pays? Who profits? Who profits at the expense of those who cannot pay?

Whose voices were heard as the legislation was written? Whose voices were not heard?

Who is accountable? To whom?

What follows is a consideration of the current proposals through the lens of the values articulated in “A Faith-Inspired Vision of Health Care.” Coupled with the questions about health care justice that arise from these faith values, it guides our reflections and analysis in considering how legislative proposals do/do not advance the Vision.

This exercise is not about picking apart the proposals. It is about keeping a shared vision in front of us that we may discover together how to make health care for all a reality. And it is about recognizing that the current proposals are not the final design for our health care future, but rather the seeds to be planted, cultivated, weeded, and fertilized until they yield the fruit we need to sustain us in this endeavor.

“A Faith-Inspired Vision of Health Care”

As people of faith, we envision a society where each person is afforded health, wholeness, and human dignity.

That vision embraces a system of health care that is inclusive... accessible... affordable... and accountable.

Vision ~ Inclusive: Health care is a shared responsibility that is grounded in our common humanity. In the bonds of our human family, we are created to be equal. We are guided by a divine will to treat each person with dignity and to live together as an inclusive community. Affirming our commitment to the common good, we acknowledge our enduring responsibility to care for one another. As we recognize that society is whole only when we care for the most vulnerable among us, we are led to discern the human right to health care and wholeness. Therefore, we are called to act with compassion by sharing our abundant health care resources with everyone.

Vision ~ Affordable: Health care must contribute to the common good by being affordable for individuals, families and society as a whole. We believe that in the sacred act of creation we are endowed with the talents, wisdom and abundant resources necessary to meet the needs of one another, including the health care needs of all. Therefore, in our calling to be faithful stewards, we understand our responsibility to use our health care resources effectively, to administer them efficiently, and to distribute them with equity.

Vision ~ Accessible: All persons should have access to health services that provide necessary care and contribute to wellness. We believe humanity is sacred and that all persons should benefit from those actions which contribute to our health and wholeness. Therefore, we are called to act with justice and love, to ensure that all of us have access to the health care we need in order to live out the fullness of our potential both as individuals and as contributing members of our society. We must work together to identify and overcome all barriers to and disparities in such care.

Vision ~ Accountable: Our health care system must be accountable, offering a quality, equitable and sustainable means of keeping us healthy as individuals and as a community. We believe that as spiritual and sacred vessels, we are responsible for the care of our bodies to the best of our ability and for the care of one another regardless of individual circumstances. Therefore, individuals, families, governments, businesses, and the faith community are called to work in partnership for a system that ensures fully-informed, timely, quality and safe care that treats body, mind and spirit.

“This Vision Statement has proven to be the best faith statement on four key issues in health reform that we have found. It offers real insight into the fundamental values that shape our ability to speak differently on key issues. Does it work? Unquestionably. These moral values helped House members in three key California districts reverse their positions and move to support real reform. The moral voice of the faith community cannot be overestimated. We have shown that this singular voice for health care as part of the Common Good is most powerful.”

Elizabeth Sholes, Director of Public Policy
California Council of Churches/California Church IMPACT

“A Faith-Inspired Vision of Health Care” was developed by Faithful Reform in Health Care, the largest interfaith coalition of national, state and local organizations and individuals working on health care reform.



<http://www.faithfulreform.org>

► Vision ~ Inclusive

Health care is a shared responsibility that is grounded in our common humanity. In the bonds of our human family, we are created to be equal. We are guided by a divine will to treat each person with dignity and to live together as an inclusive community. Affirming our commitment to the common good, we acknowledge our enduring responsibility to care for one another. As we recognize that society is whole only when we care for the most vulnerable among us, we are led to discern the human right to health care and wholeness. Therefore, we are called to act with compassion by sharing our abundant health care resources with everyone.

Provisions in H.R. 3962 that contribute to this vision:

- The expansion of Medicaid to 150% of the federal poverty level (FPL) could cover over one third of those currently uninsured, including uninsured adults without children who were previously ineligible. [Currently, in 43 states childless adults are not eligible for Medicaid, regardless of income. Nationally, the median eligibility for parents is only 67% of the FPL. (Source: Families USA calculations)]
- With the individual mandate, it is estimated that 96 % of us will be insured – *if* sufficient subsidies are made available to make premiums truly affordable, and *if* equitable out-of-pocket caps are enacted.
- An employer mandate will require that all businesses of certain sizes provide health insurance or pay into a fund through which workers could purchase their own insurance through an insurance exchange.
- An insurance exchange will be created to make standard affordable policies available for small business owners, for self-employed persons, and for those who are not insured through employers, Medicare, or Medicaid.
- “Guaranteed issue” will ensure that insurance companies will no longer be able to deny persons coverage because of pre-existing conditions, health status, gender or age. In addition, the ratio of premiums in these categories of coverage will be regulated.
- The proposed public health insurance option in the insurance exchange will provide a standard benefit package in an alternative to private for-profit insurance for small business owners, for self-employed persons, and for those who are not insured through employers, Medicare, or Medicaid.
- Coverage of young adults on parents’ policy until age 26.

Seeking justice in health care: Who is still out?

- Some children still will not be included because of the different ways in which states offer/administer the Children’s Health Insurance Program (CHIP).
- Even with the anticipated employer and individual mandates, it might be expected that there could be groups of persons who could still find difficulty in participating in the system because of affordability issues.
- Immigrants with legal status who are workers, paying taxes, and contributing to society but have been in the United States less than five years are not eligible for Medicaid benefits.
- Undocumented immigrants do not have access to financial resources for Medicaid or premium subsidies.
- Some persons will refuse to purchase insurance and will opt for the penalties.
- Some religious groups will be exempted



► Vision ~ Accessible

All persons should have access to health services that provide necessary care and contribute to wellness. We believe humanity is sacred and that all persons should benefit from those actions which contribute to our health and wholeness. Therefore, we are called to act with justice and love, to ensure that all of us have access to the health care we need in order to live out the fullness of our potential both as individuals and as contributing members of our society. We must work together to identify and overcome all barriers to and disparities in such care.

Provisions in H.R. 3962 that contribute to this vision:

- Persons cannot be denied coverage or charged excessive premiums because of pre-existing conditions, health status, gender or age.
- The public option will make affordable insurance will be available during job transitions.
- Attention is given to meeting unmet health professional needs.
- Attention is given to the reduction of disparities in both access to and outcomes in the provision of needed health care.
- Programs will be implemented to improve diversity and cultural competency in response to the changing demands upon the health system.
- Increased funding for community health centers will improve access to health care among under-served populations.
- Minimum services to be covered include:
 - hospitalization
 - outpatient hospital and clinic services
 - emergency care
 - services of physicians and other health professionals
 - prescription drugs
 - rehabilitative and habilitative services
 - mental health care
 - substance use disorder services
 - preventive services
 - maternity care
 - well baby and well child care, including oral health, vision and hearing services, equipment, and supplies at least for children under 21 years of age
- Provisions regarding the Indian Health Service will include improvements to facilities, attention to health and wellness promotion, and recruitment of Native Americans for health professions.

Seeking justice in health care: What barriers remain?

- Some children still will lack insurance because of their state's guidelines for the Children's Health Insurance Program (CHIP).
- Oral health, vision and hearing services are not specified in the list of minimum benefits for persons over 21 years of age.
- Immigrants with legal status who are workers, paying taxes, and contributing to society but who have been in the United States less than five years are not eligible for Medicaid. Undocumented immigrants will have no access to benefits in Medicaid or the insurance exchange.



► Vision ~ Affordable

Health care must contribute to the common good by being affordable for individuals, families and society as a whole. We believe that in the sacred act of creation we are endowed with the talents, wisdom and abundant resources necessary to meet the needs of one another, including the health care needs of all. Therefore, in our calling to be faithful stewards, we understand our responsibility to use our health care resources effectively, to administer them efficiently, and to distribute them with equity.

Provisions in H.R. 3962 that contribute to this vision:

- The bill is entirely paid for, and will somewhat slow the growth of costs.
- Out-of-pocket expenses will be capped at \$5,000 for individuals and \$10,000 for families.
- Medicare recipients will see the elimination of cost sharing for preventive services and the reduction in the gap/doughnut hole in prescription drug coverage.
- Federal regulations will impose greater responsibility upon the insurance and pharmaceutical industries and medical providers to control costs.
- Federal sliding-scale subsidies will be available to workers who earn too much for Medicaid eligibility, but are too young for Medicare, and cannot afford to purchase insurance.
- Tax credits are projected for more small businesses to help make premium costs for workers' insurance more affordable.
- Annual and lifetime coverage caps will be eliminated.

Seeking justice in health care: Who pays?

Everyone will be sharing greater responsibility in paying for health care. The questions of justice lie in determining who will assume greater responsibility for payment, and where that responsibility falls in proportion to their ability to pay.



- Individuals will be required to have insurance, but sliding-scale subsidies will be available to help purchase that insurance for persons who are not covered by employers, Medicare, or Medicaid.
- Employers with payrolls over \$500,000 per year must offer coverage with certain benefits or pay a fee equal to a percentage of their payroll. (86% of employers would likely be exempt.)
- The penalty on individuals for not having insurance is 2.5% of adjusted gross income, with the penalty waived for households with hardships based on their individual circumstances.
- A 5.4% surcharge will be assessed on incomes over \$1,000,000 for households and \$500,000 for individuals.

Who profits, especially at the expense of those who cannot pay?

- The insurance industry concessions, such as eliminating exclusion because of pre-existing conditions and spending a higher percentage of premium dollars on patient care, are contingent on the inclusion of an individual mandate which will put millions more people in for-profit insurance policies.
- If the public option does not survive legislative deliberation, without controls on premiums, deductibles and co-pays, there are no assurances that comprehensive affordable coverage will be available for everyone.

► Vision ~ Accountable

Our health care system must be accountable, offering a quality, equitable and sustainable means of keeping us healthy as individuals and as a community. We believe that as spiritual and sacred vessels, we are responsible for the care of our bodies to the best of our ability and for the care of one another regardless of individual circumstances. Therefore, individuals, families, governments, businesses, and the faith community are called to work in partnership for a system that ensures fully-informed, timely, quality and safe care that treats body, mind and spirit.

Provisions in H.R. 3962 that contribute to this vision:

Insurance industry accountability:

- Insurers in the group market will be required to spend a minimum of 85% of their premium dollars on health care (called the medical loss ratio), rather than on profit, administration and advertising. Currently some insurance companies spend just 60% [Source: Families USA].
- A health insurer may rescind health insurance coverage only upon “clear and convincing evidence of fraud” with action subject to notification and independent third-party review.
- Competition in the insurance marketplace will be increased by eliminating the antitrust exemption for health insurers, which previously allowed price fixing and the creation of monopolies in particular markets.

Medical provider accountability:

- New tools will address waste, fraud, and abuse with the entire health system.
- Research will be conducted, supported, and synthesized to identify best practices in preventing, diagnosing, treating and managing diseases, disorders and other health conditions.
- Incentives for providing care will change. Instead of over-payment for services rendered, doctors and hospitals that demonstrate improved health outcomes will be rewarded.
- Investments in advancing health information technology and other efforts to coordinate care will improve the provision of complimentary treatments and significantly reduce errors.
- Public reporting on health care-associated infections in hospitals and ambulatory surgical centers will be required and coordinated within new protocols.
- Whistleblower protections will be implemented.

Government accountability:

- Reform will establish federal rules for health insurance, which is now regulated mainly by states.
- Standard benefits will be defined by federal regulation and plans will be offered through an insurance exchange to help purchasers fully understand the benefits and costs of their choices.



Seeking justice in health care: Where are the gaps in accountability?

- Rewarding doctors and hospitals that demonstrate improved health outcomes could potentially penalize doctors and hospitals that serve sicker, at-risk or underserved populations.
- Oversight and monitoring of industry and provider groups seem to remain as functions internal to those groups.

Faithful Reform in Health Care National and State Member Organizations

National:

American Muslim Health Professionals
Association of Clinical Pastoral Education
Buddhist Peace Fellowship
Church Women United
Clergy Strategic Alliances
CodeBlueNow!
Disciples Center for Public Witness
Disciples Justice Action Network
Evangelical Lutheran Church in America
Evangelicals for Social Action
Families USA
Health Ministries Association
Herndon Alliance
International Parish Nurse Resource Center
Islamic Medical Association of North
America
Islamic Society of North America
Jewish Women International
Mennonite Central Committee U.S.
Washington Office

National Advocacy Center of the Sisters of
the Good Shepherd
National Council of Jewish Women
National Episcopal Health Ministries
NETWORK: A National Catholic Social
Justice Lobby
Presbyterian Church (U.S.A.)
Religious Coalition for Reproductive Choice
Center for Healthcare Reform, St. Joseph
Health System
Union for Reform Judaism
United Church of Christ, Justice and
Witness Ministries
United Methodist Church, General Board of
Church and Society
United Methodist Church, General Board of
Global Ministries
Universal Health Care Action Network
VoteHealthcare
Women's Universal Health Initiative

State:

California Council of Churches
Ecumenical Ministries of Oregon
Florida Council of Churches
Florida-Bahamas Synod, Evangelical
Lutheran Church in America
Illinois Campaign for Better Health Care
Faith Caucus
Interchurch Ministries of Nebraska
Kentucky Council of Churches
Maryland Citizens Health Initiative
Michigan Interfaith Health and Hope
Coalition
Michigan Unitarian Universalist Social
Justice Network
New Hampshire Council of Churches
New Mexico Conference of Churches

New York State Council of Churches
North Carolina Council of Churches
Ohio Council of Churches
Oklahoma Conference of Churches
Pennsylvania Council of Churches
Rhode Island State Council of Churches
South Carolina Christian Action Council
Texas Impact
Universal Health Care Action Network of
Ohio
Vesper Society
Virginia Council of Churches, Inc.
Virginia Interfaith Center for Public Policy
West Virginia Health Kids and Families
Coalition
Wisconsin Council of Churches

Faithful Reform in Health Care is the largest interfaith coalition of national, state and local organizations, congregations, and individuals working together to elevate shared faith values in shaping health care reform policy.

