

# States Look at Universal Health Care

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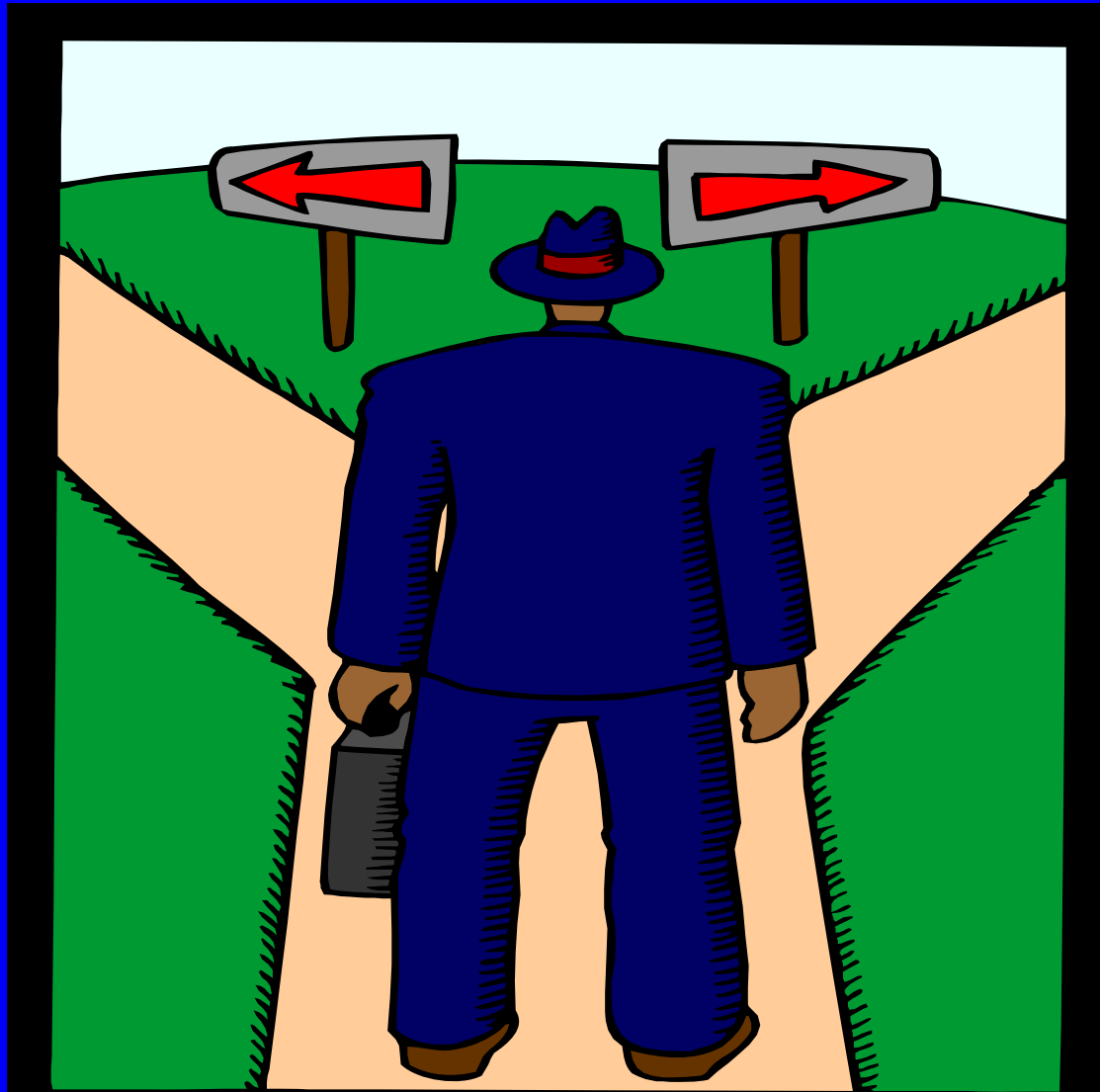
**Physicians for a National Health Program**

**AMSA Regional Meeting**

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# Health Care Reform: Which Direction?

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# Perspectives on Health Care Reform

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- ◆ Individual responsibility?  
 (“consumer driven”)
- ◆ Shared responsibility?  
 (health insurance)

# “Solutions” for the Health Care Crisis

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## ◆ Individual

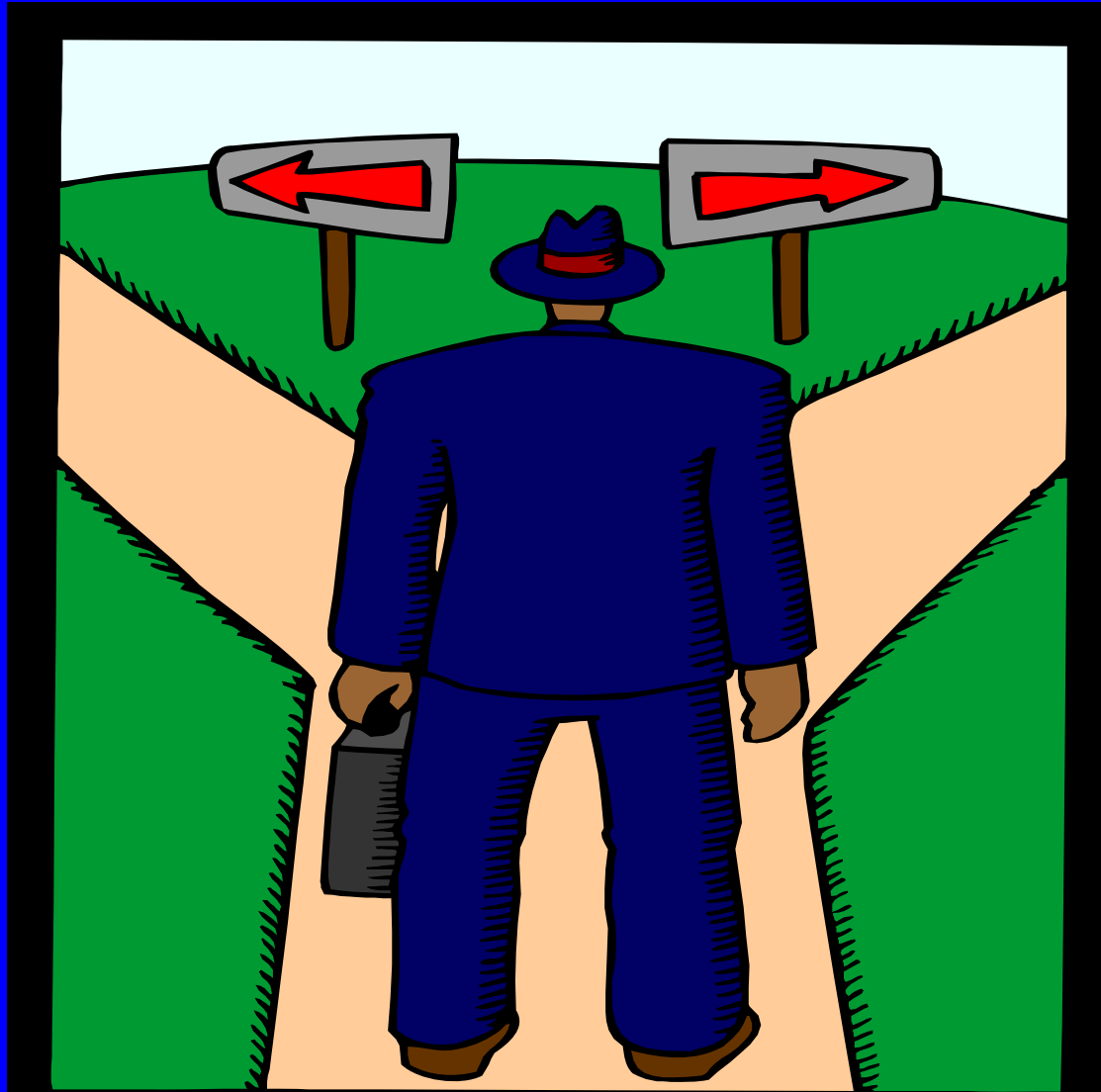
- Health Savings Accts and High Deductible Health Insurance
- Individual Mandate (Massachusetts)

## ◆ Shared

Health Insurance  
Public Sponsor  
Employer Sponsor

# Which Direction Do We Go?

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# National vs. State Health Care Reform

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## ◆ National

- Uniform rules
- Truly portable
- Larger economies of scale
- Less bureaucratic

## ◆ State

- Uniform state rules
- Portability limited
- Less economies of scale
- Demonstrate feasibility

# Why Do States Have to Take the Lead?

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BUSH: I'm absolutely opposed to a national health care plan. I don't want the federal government making decisions for consumers or for providers. I remember what the administration tried to do in 1993. They tried to have a national health care plan, and fortunately it failed. I trust people; I don't trust the federal government. I don't want the federal government making decisions on behalf of everybody.

Source: St. Louis debate Oct 17, 2000

# What Is Happening in Pennsylvania?

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- ◆ Governor proposal for incremental changes will be released in February (probably)
- ◆ Large employer mandate to fund health care?
- ◆ Single payer, universal health care for all Pennsylvanians

# Pennsylvania Balanced and Comprehensive Health Reform Act

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- Senate Bill 1085
- House Bill 2722
- THIS IS A PROPOSAL, IT IS NOT THE LAW

# Covered Services

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- ◆ (1) Inpatient and outpatient care
- ◆ (2) Emergency services.
- ◆ (3) Emergency and other medically necessary transport to covered health services.
- ◆ (4) Rehabilitation services, including speech, occupational and physical therapy.
- ◆ (5) Inpatient and outpatient mental health services and substance abuse treatment.

## Covered Services (cont.)

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- ◆ (6) Hospice care.
- ◆ (7) Prescription drugs and prescribed medical nutrition.
- ◆ (8) Vision care, aids and equipment.
- ◆ (9) Hearing care, hearing aids and equipment.
- ◆ (10) Diagnostic medical tests, including laboratory tests and imaging procedures.
- ◆ (11) Medical supplies and prescribed medical equipment.

## Covered Services (cont.)

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- ◆ (12) Immunizations, preventive care, health maintenance care and screening.
- ◆ (13) Dental care.
- ◆ (14) Home health care services.
- ◆ (15) Chiropractic and massage therapy.
- ◆ (16) Long-term care for those unable to care for themselves independently and including assisted and skilled care.
- ◆ The plan shall not exclude or limit coverage due to preexisting conditions

# Added Benefits for Society

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- ◆ K-12 Health Education funds for schools
- ◆ No fault malpractice system with full funding for malpractice premiums
- ◆ \$1000 bonus for active volunteer firemen, EMTs
- ◆ Medical errors reporting
- ◆ Electronic medical records
- ◆ Certificate of need for >\$1 million expenses
- ◆ Displaced workers can qualify for unemployment up to \$5000/month for up to two years

# What Do I pay?

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- ◆ No copays, No deductibles
- ◆ 3% on personal earned, investment, pension income
  - Example - \$25,000 annual income=\$750/year

# How Is This Paid For?

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- ◆ 10% employer payroll tax
- ◆ 3% on personal income tax
- ◆ Current funds devoted to Medicaid, Medicare in Penna

# Summary of Pennsylvania bill

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- ◆ Universal, very comprehensive health benefits
- ◆ Many added health related benefits
- ◆ Paid with added taxes
- ◆ Major job convincing legislators

# Benefits

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- ◆ Massachusetts

- Defined by the private insurance plans

- ◆ Pennsylvania

- Defined by law but very comprehensive

# Winners and Losers

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## ◆ Massachusetts

- Winners - Low income
- Winners - Private insurers
- Lots of unknowns
- Losers, lower middle and middle class who cannot afford insurance

## ◆ Pennsylvania

- Lots of winners
- The uninsured
- Losers - high income earners over 250,000
- Loser - small businesses who do not pay any health insurance
- Loser - private insurers

# Pennsylvania vs. Mass Plan

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	Pennsylvania	Massachusetts
Universal coverage	Yes	No
Cost control	Yes	No
Administrative complexity	Simple	Complex
Benefits	Comprehensive	Restricted by Insurers

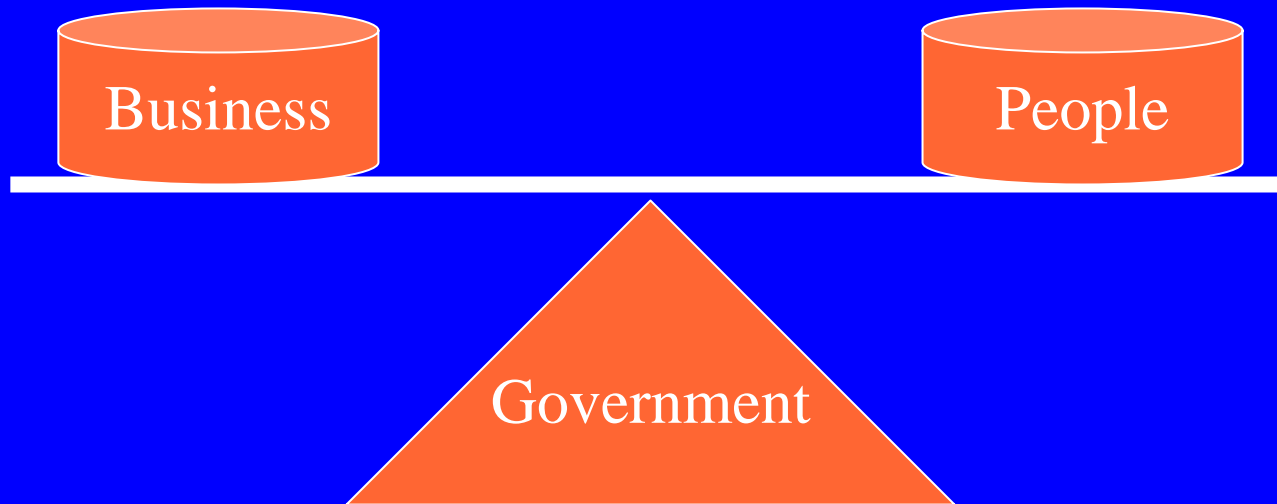
# Next Steps

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- ◆ Bill will be reintroduced
- ◆ Organizing effort at the grassroots
  - Pennsylvanians United for Single Payer Health Care (PUSH)
  - Phila Area Committee to Defend Health Care ([www.phillyhealth.org](http://www.phillyhealth.org))
- ◆ Raise \$1 million
- ◆ [www.pahcsc.org](http://www.pahcsc.org)

# Government is the “swing” vote

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# Questions?

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