



# ELECTION 2010

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## Health Care Reform: What you need to know.

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As the election draws closer, all of us are being bombarded by political ads. This year, candidates in gubernatorial and congressional races are criticizing their opponents for their support of federal health care reform and vowing that, if elected, they will work to repeal the entire law. With so many different things being said about reform, it is important that everyone know the facts.

### Why SC hospitals support federal health reform

Faced with \$1 billion worth of uncompensated care each year, South Carolina hospitals have few options for balancing their budgets. The federal Emergency Medical Treatment and Active Labor Act (EMTALA) requires hospitals to treat any person who walks into the emergency room, even if the patient is unable to pay for that care and no matter how much it costs. This creates a great financial burden on hospitals, which is passed on in the form of higher hospital bills to insured patients and employers who provide insurance coverage.

Currently 50.9 million Americans are uninsured. The new federal health reform law is a plan to help 32 million of those Americans by expanding Medicaid to some and making more affordable coverage available to other individuals and employers. This will relieve much of the financial burden currently being borne by businesses and individuals who have health insurance.

### Reform is not a job-killer. It is a job saver.

Without reform, hospitals will continue to cut services, lay off workers and charge insured patients more. As higher hospital bills push insurance premiums up for businesses that provide coverage, employers will have to decide whether to cut coverage, reduce wages or lay off workers. The reform act also provides federal funding for the training and hiring of additional health care workers, thereby creating more jobs.

### Reform will not cut Medicare benefits. Basic benefits will remain intact for all Medicare recipients.

The \$500 billion in “cuts” to Medicare is largely a reduction in the growth of the program over the next 10 years and will not affect Medicare benefits. Hospitals have agreed to \$155 billion in future Medicare reimbursement cuts to pay for reform. Hospitals’ efforts to improve efficiency and quality have already begun in South Carolina and are demonstrating remarkable results.

## If federal health care reform is repealed, South Carolinians will suffer the following consequences.

- ✘ Drastic cuts to the Medicaid and Medicare programs would lead to the closure of many hospital services and programs on which South Carolinians rely.
- ✘ Senior citizens would no longer be eligible for a 50% discount on brand-name prescription drugs covered under Medicare Part D or the \$250 check going out this year to help fill the donut hole. Seniors would also lose the new benefit of annual wellness check-ups.
- ✘ 477,000 South Carolinians would lose the benefit of premium tax credits to help them afford coverage for their families.
- ✘ 57,900 small businesses (which now pay 18% more for health insurance than large businesses) would lose the benefit of a small business tax credit to help them make affordable health coverage available to their workers.
- ✘ 613,000 South Carolinians (14% of the population) living in underserved areas would not benefit from new incentives to encourage primary care providers to move to their underserved areas.
- ✘ 4,700 primary care physicians in South Carolina would not receive a 5 to 10% reimbursement adjustment to help cover the cost of providing primary and preventive care.
- ✘ 58,500 early retirees who currently have insurance through their former employers would lose the security of an early-retiree reinsurance program to help keep their insurance in place.
- ✘ Health insurers would not be required to cover children with cancer or other pre-existing conditions.
- ✘ Adult children up to age 26 would no longer be eligible for coverage on their parents' insurance plans.
- ✘ Annual and lifetime limits could be imposed on your insurance coverage.
- ✘ Coverage for individuals could be cancelled when they get sick.
- ✘ Persons with pre-existing health conditions could be refused coverage.
- ✘ Insurers would not be required to fully cover preventive services, including colorectal screenings, immunizations, pap smears, mammograms and cholesterol screenings.