

Reform package is fiscally responsible and will cut the deficit by \$143 billion in the first ten years and \$1.2 trillion in the second decade

March 21, 2010

Washington, D.C. – Congressman Jerry McNerney (CA-11) today issued the following statement after the passage of health care reform.

“For nine months, I’ve been listening to our community’s thoughts and ideas on health care reform. I’ve held public events that hundreds of people have attended and have met with seniors, patients, veterans, small business owners, doctors, and nurses. Thousands of people have also emailed, written letters, and called my office.

“I’ve heard from people denied health coverage for preexisting conditions like diabetes and allergies. I’ve met seniors who can’t afford the monthly cost of prescription drugs. I’ve talked with small businesses owners who have been forced to lay off employees because of skyrocketing premiums. I’ve heard many heartbreaking stories about the struggle so many Americans face right now to afford health care.

“I’ve carefully reviewed the proposal, read every page, and listened to all the input that the people I represent have offered. Throughout this process, I’ve stood up for reform that will lower costs, give families security and peace-of-mind, and make sure people can choose their doctor and care.

“Today, we took a critical step towards making health care more affordable for American families and helping to guarantee our nation’s long-term economic prosperity. Reforming health care is a fiscally responsible course of action that will build on the best of the American system by making sure people can keep their current insurance if they like it and choose what doctors they want see.

“Reform will reduce the growth of health care costs by creating fair, transparent and competitive health insurance markets and cracking down on waste, fraud and abuse. It will improve benefits for seniors, help small businesses to stay open, and stop insurance companies from denying coverage for pre-existing conditions or kicking sick people off their plans.”

Health Care Reform Package – What it Means for California Families

Health care costs continue to spiral out of control, hurting families and small businesses.

Bringing down health care costs will strengthen America's long-term economic security and make sure that every American can afford quality health care. Health reform will reduce health care costs for families and small businesses, improve patient protections, and allow Americans to keep their current coverage. This legislation is fiscally responsible, and the non-partisan Congressional Budget Office estimates that it will cut the federal deficit by \$143 billion over the next ten years and by \$1.2 trillion during the second decade.

Immediate Impacts:

- Children with pre-existing conditions cannot be denied coverage
- Allows young people to stay on their parents' insurance until the age of 26
- Prohibits insurance companies from dropping people from their coverage if they get sick
- Creates new tax credits for many small businesses to help them offer health insurance to their employees
- Provides many seniors who can't afford the cost of their prescription drugs with a \$250 check in 2010 to help offset the cost of medication

Fiscally Responsible Reform:

- According to the non-partisan Congressional Budget Office, health care reform will reduce the deficit by \$143 billion over the next ten years and by \$1.2 trillion during the second decade
- Eliminates wasteful spending in health programs
- Increases efficiency through greater use of health information technology and safe, secure electronic medical records
- Emphasizes prevention and wellness to keep Americans from getting sick

Protecting Patients, Families, and Seniors:

- Guarantees that people who are happy with their coverage can keep their current plan
- Caps annual and life-time out-of-pocket costs for individuals and families so that nobody goes bankrupt due to a medical condition
- Prohibits insurance companies from denying coverage to people with a pre-existing condition like diabetes or a past illness and prevents insurance companies from kicking patients off a health care plan if they get sick
- Protects existing health care benefits for veterans, service members, and their families. TRICARE, TRICARE for Life, and VA benefits are fully preserved.

Controlling Costs:

- Harnesses the power of competition and transparency by creating improved state-based health care markets – called “exchanges” – where consumers and small businesses owners can compare and purchase high quality, affordable health care plans
- Restricts health insurance companies from unfairly raising premiums and sets standards to guarantee that premiums pay for medical services – not to pad insurance company profits

Guaranteeing Consumer Choice and Expanding Coverage:

- Creates new tax credits to help small business owners offer health insurance to their employees – 12,300 businesses in the 11th district are expected to qualify for these credits
- Provides assistance – called affordability credits – to help qualifying families and individuals purchase health insurance. Approximately 123,000 families in the 11th district are expected to qualify for these credits
- Allows young people to stay on their parents’ insurance until the age of 26 – there are an estimated 59,000 young people in the 11th district who could benefit from this change
- Improves consumer choice for everyone and will help provide coverage for 35,500 uninsured people in the 11th district

Improving Medicare for California Seniors:

- Strengthens Medicare for the estimated 90,000 beneficiaries in the 11th district
- Makes prescriptions more affordable for seniors by closing the prescription drug ‘donut hole’ for the 10,700 seniors in California’s 11th district who are affected each year
- Protects seniors by cracking down on fraud, waste, and abuse in Medicare
- Eliminates out-of-pocket expenses for preventative services like cancer or heart screenings

Bringing the Next Generation of Medical Professionals to California:

- Provides incentives for physicians and nurses to train and practice in underserved areas – bringing more doctors and medical professionals to our communities
- Establishes incentives for doctors to become primary care physicians – the people who

are the first lines of defense treating patients and preventing diseases