Common Sense Health Care for the United States

We CAN improve the Health Care system in the United States **without getting rid of the insurance companies** and **without increasing taxes**. We have already been using this alternate system for 20 years.

Here is a short list of what we CAN do:

1. Reduce the cost of health insurance paid by our **employers** by 50%. This SAVES employers $350 Billion per year.
2. Reduce the cost of health insurance paid by the **government** for employee health insurance by 50%. This saves $180 Billion TAX DOLLARS per year.
3. Using this alternate, existing system we can put a total of over **$500 Billion dollars per year** back into the economy and citizen's pockets that is currently being wasted.
4. Keep the private health insurance companies that the majority of U.S. citizens get their insurance from.
5. Huge savings to the employees and families by eliminating copays and deductibles.
6. Expand affordable coverage to everyone else not getting insurance from their employers. Take the $49 Billion in savings from the ACA and use it with other tax savings to provide low cost/high value insurance to all who do not get it from their employers.

Also, let me be honest, this does not fix everything in one giant step. Rather, I am proposing that we fix the biggest problems first: Cost and Accessibility. After the dust settles we can take a careful look at when else we can do to improve quality and reduce waste.

We must not forget that the majority of our citizens are getting health insurance from their employers.

Over 100 Million people in the U.S. get their health insurance from their employer. We cannot expect these hard working employees to be comfortable with a major change in the coverage they rely on to protect themselves and their families. However, we must address the 27 Million non-elderly people who are still uninsured in the U.S.

If we take the best of lessons learned from other nations and combine it with the goal of being the least disruptive to the majority of our citizens we can make a vast improvement in our current system with minimal modifications.

Why is your plan different?

My plan does not cost a single, additional tax dollar; in fact, it saves Billions of tax dollars every year. My plan also will put an additional $350 Billion dollars back into our economy every year that is currently being wasted by the current health care system.

We must acknowledge that changing our broken health care system must be done carefully and with the interests of everyone. My plan will result in immediate Tax Savings and access to health care for all. My plan will also avoid major disruption of existing health insurance plans. By listening to the people, instead of the special interest groups my plan assures that we take what we have and make it better.

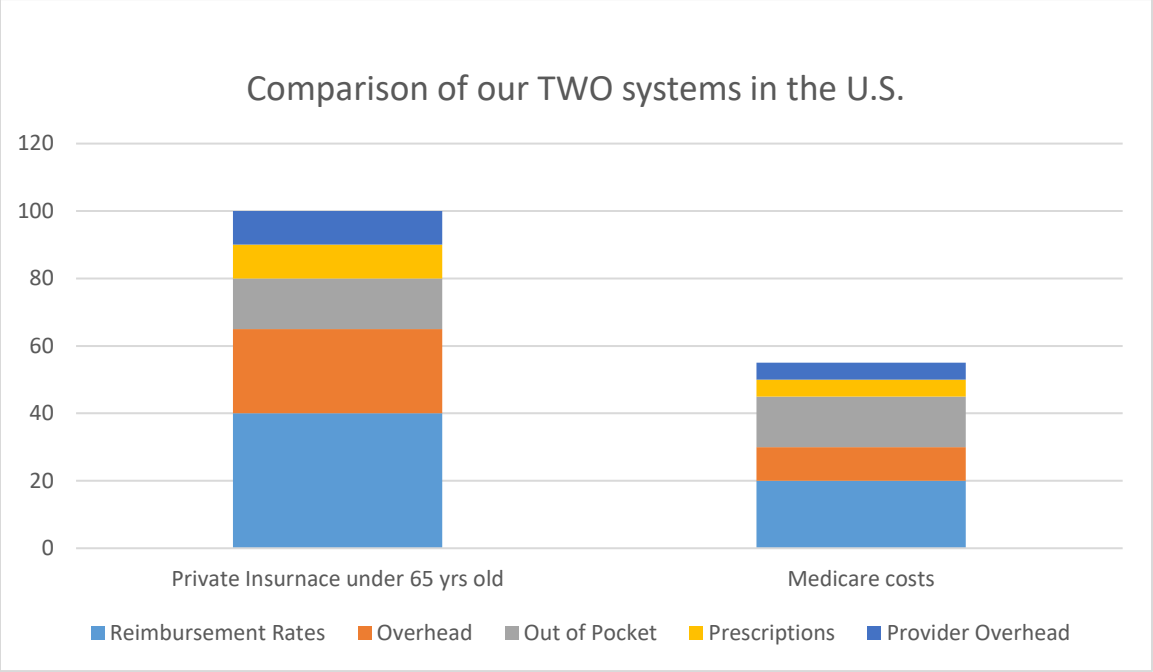
"Having a working knowledge of our current health care system and a calculator will tell you that we CAN make our system much better without getting rid of Private Insurance Companies"

We have two sets of books in our current healthcare system.

In order to understand how we can save money we must take a simplified look at our current healthcare system.

1. If you are UNDER 65 years old we have a higher priced system that we use to provide health insurance. Prices are determined by the Insurance Companies and the Medical Providers with very little control on behalf of the employers or citizens.

2. If you are Over 65 years old we use a much lower priced system used by Private Insurance for Medicare Advantage plans and the Government for basic Medicare. Prices are determined with strong representation of the people resulting in 50% lower costs.



What are the major parts of your plan?

Right now we have a bizarre system where there are two different Cost and Overhead methods used to calculate the price paid for health care coverage. One system (private insurance) is controlled by the Insurance companies and medical providers and ends up charging DOUBLE the price for the same procedures covered by the other system. The second system (Medicare and Medicare Advantage) used by our seniors, uses much lower overhead and 50% lower, negotiated reimbursement rates.

We are wasting nearly half of the 19% of our GDP that we spend on our broken health care system and it is predicted to get more expensive if we do nothing. If we fix our health care cost problem well will be able to add $500 Billion dollars to our economy every year.

We must change the direction we are going with the least disruption to the citizens and businesses of the United States.

First we move to the existing cost and billing structure already used by the insurance companies who offer the well-liked Medicare Advantage plans. This keeps the insurance companies to process the

claims but removes them from dictating the high costs. This will result in at least a 50% reduction in the health insurance rates for our businesses and individuals under 65.

The key to lower costs is to reduce the two big cost problems with Health Insurance for our Businesses and Individuals who are not over 65 years old on Medicare. These two items; Reimbursement Rates and Overhead must be lowered to the levels used by Medicare/Medicare Advantage to change the cost of health care.

How do you pay for it?

Pay for it? How can it cost MORE tax dollars if we are cutting the COST of health care by 50%? My plan immediately saves $165 Billion tax dollars per year and pours an additional $350 Billion back into the economy from savings to our employers and individuals.

Where are the savings in tax dollars?

Simple arithmetic. The Government pays high, private insurance rates to provide coverage for employees and their families. By moving to the lower reimbursement rates, already negotiated by CMS we will reduce the cost to the taxpayer by 50%.

There are over 22 Million employees of Federal, State and Local governments that receive health insurance benefits from the private insurance market that are paid for with TAX Dollars. Cutting the cost of their insurance in half would save over $135 BILLION tax dollars each year.

There are over 8.5 Million people on ACA Marketplace health insurance plans. Cutting the cost of their plans would save over 30 Billion TAX dollars per year.

Total tax dollar savings would be $165 Billion Dollars per year.

Note: Some tax dollar savings would be used to expand the ACA Marketplace plans to ALL individuals not covered by Employer provided plans.

What impact will this have on My Business?

Our businesses provide health insurance to over 75 million employees. Cutting the cost of the employer portion of this health insurance by switching to the lower CMS rates would save our businesses over $350 Billion Dollars per year. Your business would pay half as much as you do now to insure your employees.

How will this impact me if I buy my own health insurance?

The current 5.4 Million people who buy their own health insurance (outside of the exchange) would save $3.9 Billion per year on their premiums with the lower CMS rates.

What about people who want to keep their high value employer/union paid plans?

Yes, they can. The only thing that changes will be a reduction in the cost that they and their employer/union pays for their health insurance. Nothing will prohibit keeping or purchasing plans that cover more.

How would you expand the Affordable Care Act?

The ACA has set up a good framework to allow people who do NOT get their health insurance from their Employer, the VA or Medicare/Medicaid. With the reduced costs from using the CMS negotiated reimbursement rates and coding system, along with some of the savings from reducing the cost to provide health insurance to government employees, the ACA can be expanded to include all individuals under 65 yrs. old with insurance that will not cost more than 3% of their income.

Does this get rid of the insurance companies?

No. It just takes them out of the price negotiation between the Medical providers and the Patients. The insurance companies will still process claims.

What about fraud and abuse?

Using the Medicare system of fraud reduction will result in less fraud and abuse further lowering the cost of health care. Using a single coding and billing system will also allow for future improvements in fraud and abuse detection and prevention. Fraud and abuse are still a problem but the use of a single coding and billing system will allow more data mining to identify fraud and abuse.

Will the Doctors, Nurses and other medical providers be able to survive on lower reimbursement rates?

Yes. In fact, the current CMS/Medicare reimbursement rates are higher than most other countries who pay their Doctors and other Medical providers at levels similar to the U.S. Additionally, move to one set of billing codes and prices eliminates much of the wasted overhead with billing, price negotiations and the associated staffs.

What happens if we don't change our health care system in the U.S.?

If we don't change the Overhead and Reimbursement rates used for our under 65 year old individuals and employees, the only way to make health care affordable is to raise taxes and pay the higher rates that are decided on by the Insurance Companies and the Medical providers.

We know that lower Overhead and Reimbursement rates are possible and, in fact have been used for over 2 decades by the Insurance Companies selling Medicare Advantage plans to seniors. Private Insurance rates are DOUBLE the rates used by Medicare/Medicare Advantage.

What are the steps in your plan?

My plan is not a mandated, carved in stone plan from start to finish. Instead I will do the most cost effective steps first that will cause the least disturbance to you, the voter's insurance plans (that do not add tax dollars)

1. First Stage:
    a. Shift the billing process and reimbursement rates for all current health insurance to the lower, negotiated rates used by Medicare. (Note: we are not putting anyone under 65 into the Medicare system or using the Medicare trust fund money)
    b. Eliminate insurance company NETWORKS to allow everyone to have more choices.

c. Allow insurance companies to handle the billing with regulations to limit price gouging with the new lower rates. (Insurance companies have been doing this for decades with Medicare Advantage, it is not new and has proven itself)
d. Reduce Individual's out of pocket (copays and coinsurance) to be less than 3% of their income. This retains the integrity of existing employer/union negotiated plans.
e. Negotiate drug prices to assure that the 3% out of pocket for consumers is assured. Start with using the V.A. negotiated drug prices.
f. Use some of the tax savings to expand the Affordable Care Act to cover all individuals who are not offered health insurance from the VA, their employer or Medicare.

2. After a period of 5 years to allow the health care market to settle.
    a. Evaluate the need for a "Public Option". Note: Many other countries with high quality health care are able to have lower costs while still using Insurance companies to process claims and sell supplemental plans.
    b. Evaluate the savings from a central billing system.
    c. Evaluate and enact long term legislation to control Drug Prices.

Below are some of the basics for how this plan is possible. Much more data and information is available upon request.

Background Information:

This plan is based on the simple principles below:

1. There are TWO major reimbursement levels in our country.
    a. The amount paid/reimbursed for drug/medical services by our employers/businesses/government for workers who are under 65 years old. (Private Insurance Reimbursement rates)
    b. The amount paid/reimbursed for drug/medical services for people OVER 65 years old. (Medicare/Medicare Advantage reimbursement rates)
2. The differences between the two rates are:
    a. Private Insurance rates are negotiated between the Insurance Companies and the medical/drug providers. This has resulted in reimbursement rates that have driving the cost of health care in our country to be more than double what other modern countries are paying. Private insurance negotiations leave out the consumer. The private medical reimbursement rates are only negotiated between the two parties who are driven by profit.
    b. Medicare/Medicare Advantage medical rates are determined with the interest of the consumer (citizens on Medicare). Note: The insurance companies who sell Medicare Advantage have been using the Medicare rates for decades.
3. Insurance companies would switch to a single medical coding and reimbursement system that would use Medicare reimbursement rates.

a. This would reduce the cost of private insurance for employers, government employees and individuals by 50%.
b. Insurance companies have been using this system for over 20 years.
c. Medicare reimbursement rates in the U.S. are still higher than most other modern countries.
d. Using a single coding and reimbursement system would cut the waste and overhead of the insurance companies and the medical providers while allowing more of the money to go to the actual Doctors, Nurses and others who directly treat the patients.

Calculations:

22 Million Employees of the Federal, State and Local governments and 78 Million employees of Private Companies get their health insurance at the higher, private insurance rates. Premiums paid by Employers/Government totals $500 Billion Dollars per year. Switching to the Medicare Rates would save 50% or a total of $250 Billion per year.

Sound bites:

The bottom line of fixing health care in the U.S. is Access and Price. My plan does both with the least amount of disruption to the citizens who have health insurance now.

The opposition has already labeled Medicare for All a plan that will take away your current health insurance. My plan does not.

Note: This is just an outline of the plan. I have details, calculations, etc. Available.

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