

HEALTHCARE PROGRAM: GOOD NEWS – BAD NEWS

Good News about the Patient Protection and Affordable Care Act (PPACA)

- You may be able to buy health insurance you cannot now afford
- If you have a pre-existing condition you may pay the same as the “good-health” premium
- No lifetime insurance limits for those with very expensive and chronic conditions
- Congressional Budget Office (CBO) estimates 32 M uninsured people will obtain insurance; leaving 23M people uninsured <http://www.cbo.gov/publications/collections/health.cfm>



The Not-So-Good News

- ✓ **Rationing Healthcare:** 32M new people will flood the insurance rolls, but the number of doctors to care for them is not keeping up; in fact as many as 1/3 may leave medicine, and 70% say the quality of care will worsen. (<http://www.themedicusfirm.com/pages/survey>). Care will have to be rationed if these estimates are correct.
- ✓ **Loss of employee-sponsored health insurance:** The Actuary at the Center of Medicare and Medicaid (CMS) estimates 14 million Americans would lose or be transitioned out of employer-sponsored coverage.
- ✓ **Increase cost for drugs and medical devices** – PPACA levies heavy excise taxes on manufacturers and importers of branded drugs (an annual aggregate fee of 2.5B) and medical devices - e.g. a drug for childhood diabetes, a knee replacement for a 40 year old athlete, or a heart problem needing a stent. (*Amendment to Chapter 32 of the IRS code and IRS notice 2011-9, 2011-6.R.B.459*). Economic theory shows the burden will be passed on to the consumer.
- ✓ **Job loss, lower wages:** The Congressional Budget Office (CBO) estimates that the employer mandate will cost businesses \$52 billion in tax penalties from 2014 to 2019; lower business profits mean lower wages, diminished shareholder portfolios, and according to the CBO, an estimated 700,000 loss in jobs. (*Douglas W. Elmendorf, Director, Congressional Budget Office, March 20, 2010, p. 22, at <http://www.cbo.gov/ftpdocs/113xx/doc11379/AmendReconProp.pdf>, January 11, 2011*).

What you can do:

- Share this information
- Seek reliable sources to stay informed
- Solicit information from your doctor or other medical professionals

<http://www.ncpa.org/healthcare/>

<http://www.ncpa.org/pub/what-does-health-care-reform-mean-for-you/>

<http://www.heritage.org/research/lecture/2011/03/why-the-health-care-law-has-sparked-a-national-debate-over-first-principles>