

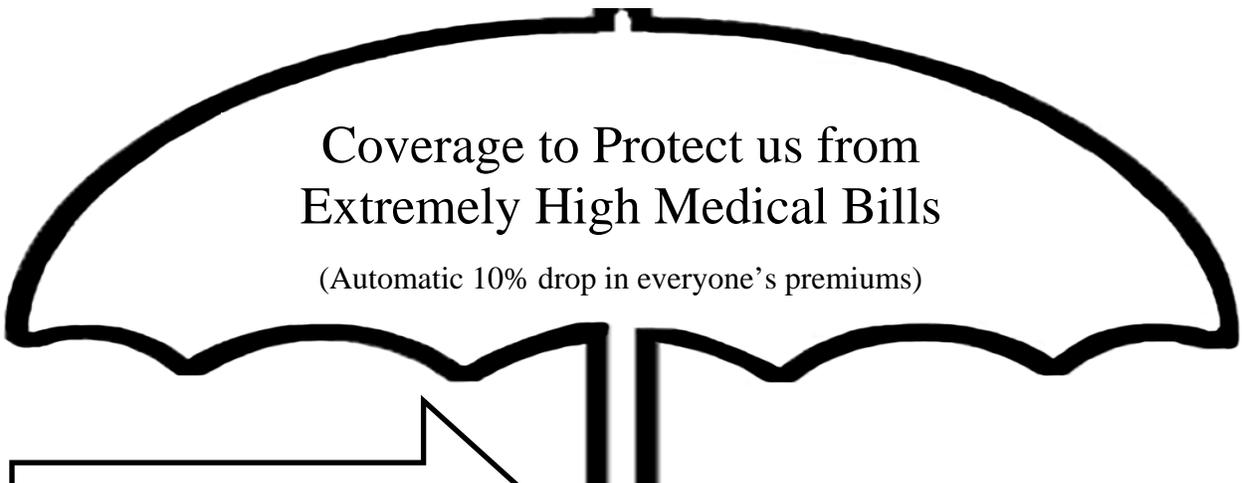


HEALTH CARE FOR ALL! SUMMARY

To view the whole plan, see <http://www.healthcareforall.com> Please send your written comments or concerns ASAP to: The Maryland Citizens' Health Initiative; 2600 St. Paul St; Baltimore, MD 21218; phone: 866-433-8451; fax: 410-235-8963; email: plan@healthcareforall.com

The Maryland Health Care for All! Plan is an economically sound, politically realistic, and fiscally responsible plan for making quality health care affordable for all, including the self-employed and small businesses. The plan:

- **Covers Everyone** – Everyone has access to the high quality, affordable health care they need and deserve.
- **Lowers your Monthly Health Care Bills** – Health care becomes more affordable for everyone, especially small business owners. By reducing overhead costs and focusing on high value care, we are able to lower premiums for everyone who is currently insured.
- **Builds on Current Coverage** – **If you have employer-based coverage you like, you can keep it and it will become more affordable.** If you don't have coverage or it's too expensive, the plan lowers the cost to make coverage affordable. Those who cannot afford coverage in the private sector are offered public coverage.
- **Pools our Resources** – The plan allows small businesses and individuals without employer coverage to pool their numbers and resources to get a wider choice of better, more affordable health care plans.
- **Protects Patients and Invests in Our Health** – No longer will insurance companies be allowed to deny you coverage for chronic conditions or hike your premiums because you get sick. The plan also invest in proven public health campaigns to improve health, lower costs and reduce health care disparities.
- **Is Fiscally Responsible** – Businesses and individuals must pay their fair share if we want health care for all. All businesses will pay a 2% FICA payroll tax but those who currently insure will more than make up that contribution in lower premiums. The plan will also maximize federal matching funds, reallocate funds from existing programs for the uninsured, and increase the state alcohol and tobacco taxes (reducing teen smoking and alcohol use). Individuals will be required to purchase health care if an affordable option exists.



No children, earn < \$20,800
Have a child, earn < \$42,000*

New Medicaid Expansion - High quality, affordable coverage

New Health Insurance Pool – by grouping together, we get high quality, affordable coverage. Choice of plans and carriers. Those with no children who earn < \$41,600 or those with a child who earn < \$56,000** can get up to 60% off current rates.

All Small Business Employees
All People Without Coverage

* Example for family of 2. For each additional family member, add \$10,800
** Example for family of 2. For each additional family member, add \$14,400

THE PLAN PROPOSES:

- ◆ **Helping Doctors and Nurses** – The plan fairly pays primary care physicians for care coordination, offers loan forgiveness to primary care doctors who serve in underserved parts of the state, and increases funding for training of nurses and other healthcare workers. Rather than rely on drug companies, the plan will also provide doctors unbiased information on the most effective prescription drugs available for their patients.
- ◆ **Focusing on Value and Efficiency** – The new Institute for Clinical Value will make sure that the care you receive is evidence-based and effective. Services that are shown to keep you healthy may be offered without a co-pay. Those with chronic conditions will get help to effectively manage their disease. The plan also gives incentives to doctors and hospitals that adopt electronic health records. This will reduce medical errors and make health care more efficient.
- ◆ **Reforming Irresponsible Business Practices** – The plan will prevent insurers, businesses, and individuals from “gaming the system”. Health plans will not be able to “cherry pick” healthy patients while denying coverage to sick patients. They will not be allowed to deny needed care or charge you more for a chronic disease. Businesses will be discouraged from only purchasing health care coverage when their employees are sick.
- ◆ **Investing in a New Maryland Prevention Trust** – By funding proven public health interventions, the plan will reduce smoking, drug use, and obesity. This will lead to a drop in heart disease, cancer, and other diseases that greatly add to health care costs. In both the long and short term, a focus on disease prevention and health promotion will save lives, improve quality of life, and save money.
- ◆ **Requiring Every Maryland Business to Contribute** by paying a 2% FICA payroll tax. The majority of businesses that currently insure their workers will see a drop in their overall health care costs even with the 2% tax. Those that do not insure currently will be able to purchase health care at much lower prices than today’s market.
- ◆ **Requiring Every Maryland Resident to Contribute** by purchasing quality and affordable health care from their employer or some other private/public source. Marylanders must purchase a health care plan if a high quality, affordable health care option exists or face a tax penalty.

WHAT IS THE MD HEALTH INSURANCE POOL? An independent, quasi-government health insurance pool that is accountable to its enrollees, providers and the general public. Employers with fewer than 100 employees and individuals without access to employment-based insurance would purchase their health insurance coverage through the Pool. Members would be guaranteed to get a policy of their choice and would not be cancelled should they become sick. Those with “pre-existing conditions” don’t have to worry about getting denied or getting charged a fortune for health care.

WHAT DOES THE POOL BENEFITS PACKAGE COVER? The pool would cover comprehensive services that most private health insurers cover now. A variety of private plans would be offered including “basic”, “typical” and “generous” benefit packages. Members will receive up to 60% off current insurance rates depending on income.

WHAT WILL THE POOL BENEFITS COST ENROLLEES? It depends on the type of plan purchased. Rates will be much lower than the current market.

DESCRIBE THE COVERAGE FOR HIGH MEDICAL COSTS? The Plan will cover 75% of medical debt between \$35,000 and \$100,000 and 95% of medical debt above \$100,000. Since the Plan covers these “high cost” risks, insurance companies will be able to reduce your premiums by 10%. Insurance companies will be required to return these savings to you.

HOW WILL THE PLAN PAY FOR HEALTH CARE FOR ALL? The plan does not create large, new agencies to service all the uninsured and private sector health care increases under the plan. It is completely self-funded and does not require new general fund spending. In 2008, we propose funding the plan with:

- an increased state tobacco tax of \$0.75 per pack with concurrent increases in other tobacco product taxes
- a “dime a drink” increase in the state alcohol tax
- use of bonus tobacco settlement payments
- reallocation of current funding for the Maryland Health Insurance Plan
- payroll contributions from employers

In addition, the plan charges fair premiums to those newly insured, maximizes federal matching funds, and utilizes existing program funding for the uninsured. The overall cost of the plan in year one is \$2.8 billion (just 6% of total health care costs in Maryland).