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AMERICANS FOR PROSPERITY®

– Health Care Bill Breakdown –
H.R. 3200, What's in the Bill?

Patients First has been insisting that members of Congress read the health care bill before they vote on it. We also believe that citizens should read and understand what is in the bill before deciding where they stand.

There has been a line-by-line analysis floating around during this debate, and Patients First thinks it's important for you to know which of these facts are real and which are not. Proponents of a government takeover of your health care have already taken to calling these facts “nasty and misleading.”

We ask that you judge for yourself; read our breakdown of the analysis and [click here for the text of the bill](#).

(Disclaimer: We are discussing H.R. 3200, the current House proposal, which as of August 6, 2009 has not had the amendments from the three House committee markups included in the text.)

CLAIM: Page 22: Mandates audits of all employers that self-insure!

This is TRUE. A commissioner will coordinate with the Secretary of Health and Human Services to create a report detailing the size, scope and stability of self-insured plans. The goal of this report is to “ensure that the law does not provide incentives for small and mid-size employers to self-insure.” In other words, this bill will work to eliminate self-insurers.

CLAIM: Page 29: Admission: your health care will be rationed!

This is PARTIALLY TRUE. The bill does not outline rationing in this section. However, what it does do is establish cost sharing limitations. These government imposed limits on benefits paid are the statutory groundwork for what could become rationing once costs inevitably spiral out of control in a government run system.

CLAIM: Page 30: A government committee will decide what treatments and benefits you get (and, unlike an insurer, there will be no appeals process)

This is TRUE. A health care advisory committee will be established with the intent of defining “the essential benefits package ... including categories of covered treatments, items and services within benefit classes, and cost-sharing.” This new bureaucracy is essential if politicians want to impose a mandate Americans to get coverage. Bureaucrats will then decide what qualifies as acceptable coverage to meet that mandate.

CLAIM: Page 42: The “Health Choices Commissioner” will decide health benefits for you. You will have no choice. None.

This is PARTIALLY TRUE. This section is an extension of the issue discussed above.

CLAIM: Page 50: All non-US citizens, illegal or not, will be provided with free healthcare services.

This is FALSE. The referenced section refers to non-discrimination of coverage, which has cost implications, but does not discuss providing coverage to non-citizens.

CLAIM: Page 58: Every person will be issued a National ID Healthcare.

This is FALSE. However, the section in question does pose other problems. We invite you to read and ponder the implications:

“Enable the real-time determination of an individual’s financial responsibility at the point of service and, to the extent possible, prior to service, including whether the individual is eligible for a specific service with a specific physician at a specific facility, which may include utilization of a machine-readable health plan beneficiary identification card.”

CLAIM: Page 59: The federal government will have direct, real-time access to all individual bank accounts for electronic funds transfer.

This is TRUE. The bill allows Health and Human Services to “enable electronic funds transfers, in order to allow automated reconciliation with the related health care payment and remittance.”

CLAIM: Page 65: Taxpayers will subsidize all union retiree and community organizer health plans (read: SEIU, UAW and ACORN)

This is PARTIALLY TRUE. The bill provides for a reinsurance program for employer-based plans. This provision is troubling because it puts taxpayers on the hook for improperly managed private retirement health care systems. As the claim suggests, union retirement plans are some of the most underfunded in the country and stand to gain significantly.

CLAIM: Page 72: All private healthcare plans must conform to government rules to participate in a Healthcare Exchange.

This claim is TRUE and undisputed.

CLAIM: Page 84: All private healthcare plans must participate in the Healthcare Exchange (i.e., total government control of private plans)

This is FALSE. The section merely outlines the limits for the types of plans that will be allowed in the exchange.

CLAIM: Page 91: Government mandates linguistic infrastructure for services; translation: illegal aliens

This is TRUE. However, plenty of people in this country don't speak English as their first language but are not illegal aliens.

CLAIM: Page 95: The Government will pay ACORN and Aerators to sign up individuals for Government-run Health Care plan.

This is PARTIALLY TRUE. This section does not talk about ACORN but does outline an outreach program to educate individuals and employers about the government system. However, it is certainly a legitimate concern to consider who the government would contract to conduct this "outreach and education."

CLAIM: Page 102: Those eligible for Medicaid will be automatically enrolled: you have no choice in the matter.

This is TRUE. The commissioner of the health board would be instructed to create a process under which someone that "has not elected to enroll in an Exchange-participating health benefits plan is automatically enrolled under Medicaid." This is another in a line of bureaucratic programs that will further limit and control an individual's choice in care.

CLAIM: Page 124: No company can sue the government for price-fixing. No "judicial review" is permitted against the government monopoly. Put simply, private insurers will be crushed.

This is TRUE. The section clearly states that there "shall be no administrative or judicial review of a payment rate or methodology" used rate-setting decisions. This provision is critical if government wants to be able to use its coercive power against the private insurers.

CLAIM: Page 127: The American Medical Association (AMA) sold doctors out: the government will set wages.

This is PARTIALLY TRUE. This section establishes various levels of participation for physicians, including: preferred, participation non-preferred and other providers. These

categories each contain limitations on the level of services government will reimburse for and the level of cost sharing that patients and providers must bear.

CLAIM: Page 145: An employer MUST auto-enroll employees into the government-run public plan. No alternatives.

This is PARTIALLY TRUE. The bill states that an employer must enroll an employee in the government plan unless the employee specifically opts out and instead “elects coverage under an employment-based health benefits plan offer by such employer.” This is a vehicle through which private insurers will be squeezed from the marketplace. The government-run program will be able to offer lower premiums to the employee who will be forced to choose between the size of the withholding from his paycheck and the quality of care offered.

CLAIM: Page 149: Any employer with a payroll of \$400,000 or more, who does not offer the public option, pays an 8% tax on payroll

This is TRUE and undisputed.

CLAIM: Page 150: Any employer with a payroll of \$250,000 – 400,000 who does not offer the public option, pays a 2 to 6% tax on payroll

This is TRUE and undisputed.

CLAIM: Page 167: Any individual who doesn't have acceptable healthcare (according to the government) will be taxed 2.5% of income.

This is TRUE. The bill states “any individual who does not meet the requirements of [the government program] is hereby imposed a tax equal to 2.5 percent ... of the taxpayer's modified adjusted gross income.”

CLAIM: Page 170: Any NON-RESIDENT alien is exempt from individual taxes (Americans will pay for them).

This is TRUE. The bill specifies that the mandates and tax penalties do not apply to individual who is a non-resident alien. However, it does not say Americans will pay for them.

CLAIM: Page 195: Officers and employees of Government Healthcare Bureaucracy will have access to ALL American financial and personal records.

This is TRUE. With regards to determining government-determined “affordability credit,” the Health Choice Administration is empowered to gain access to tax return information or other such information that may be required to determine eligibility.

CLAIM: Page 203: “The tax imposed under this section shall not be treated as tax.” Yes, it really says that.

This is TRUE. With regards to a calculation of the amount of credit offered in a different section of the bill, it does say that, the “tax imposed under this section shall not be treated as tax.”

CLAIM: Page 239: Bill will reduce physician services for Medicaid. Seniors and the poor most affected."

This is PARTIALLY TRUE. The bill does not specifically limit care to seniors. However, it does seek to contain costs by asserting a new fee schedule for payment. This could have the effect of inducing physicians to limit the choices of seniors to receive certain care that does not fit the new schedule.

CLAIM: Page 241: Doctors: no matter what specialty you have, you'll all be paid the same (thanks, AMA!)

This is PARTIALLY TRUE. The bill sets up new service categories, and pays according to the category. However, placement of physician classes into the categories and expenditures per service category are established by the Secretary of Health and Human Services.

CLAIM: Page 253: Government sets value of doctors' time, their professional judgment, etc.

This is TRUE. The government will decide the value of doctor’s “time, mental effort and professional judgment, technical skill and physical effort, and stress due to risk.” The market determination for the importance of these functions is completely eliminated under the public plan.

CLAIM: Page 265: Government mandates and controls productivity for private healthcare industries.

This is FALSE. This provision establishes a best practices and productivity improvement incorporation program.

CLAIM: Page 268: Government regulates rental and purchase of power-driven wheelchairs.

This is TRUE. However, it is a reclassification of an existing regulation and contract standards.

CLAIM: Page 272: Cancer patients: welcome to the wonderful world of rationing!

This is PARTIALLY TRUE. The bill requires a review of cancer hospital payments be undertaken and costs adjusted accordingly. Although this will likely have the effect of lowering reimbursements and thus limitation quality care, the bill does not, in itself, ration care.

CLAIM: Page 280: Hospitals will be penalized for what the government deems preventable re-admissions.

This is TRUE. “In order to account for excess readmissions in the hospital, the Secretary shall reduce the payments that would otherwise be made to such hospital.” Once again, this is government asserting its own bureaucratic judgment in the place of doctors and hospitals and punishing those who do not conform.

CLAIM: • Page 298: Doctors: if you treat a patient during an initial admission that results in a readmission, you will be penalized by the government.

This is TRUE. This is an extension of the above provision that relates to hospitals, only this time, applying it to physicians. Payment reduction will occur if a physician “sees an individual within the first week after discharge from a hospital or critical access hospital.”

CLAIM: Page 317: Doctors: you are now prohibited for owning and investing in healthcare companies!

This is PARTIALLY TRUE. This section refers to rural operations and contains a percentage of ownership that doctors are not allowed to exceed. However, physician owned operations are very important in many rural areas and limiting a doctors ability to own an operation could severely cripple care.

CLAIM: Page 318: Prohibition on hospital expansion. Hospitals cannot expand without government approval.

This is TRUE. This section limits the ability of physician-owned facilities to increase “the number of operating rooms, procedure rooms or beds of the hospital at any time after the date of the enactment.”

CLAIM: Page 321: Hospital expansion hinges on "community" input: in other words, yet another payoff for ACORN.

This is PARTIALLY TRUE. The section provides an opportunity for community input in the proposed expansion of the facility. However, it does not hinge on community approval.

CLAIM: Page 335: Government mandates establishment of outcome-based measures: i.e., rationing.

This is PARTIALLY TRUE. The bill does affect a shift toward a focus on outcome-based medicine. This section requires a report to “reflect the outcomes of care experienced by individual enrolled in Medicare Advantage plans.” This type of reporting will lay the groundwork for the limitation of care to those procedures that the government believes produces the best outcome.

CLAIM: Page 341: Government has authority to disqualify Medicare Advantage Plans, HMOs, etc.

This is TRUE. This section is a continuation of the empowerment of Health and Human Services to define what qualifies as adequate coverage.

CLAIM: Page 354: Government will restrict enrollment of SPECIAL NEEDS individuals.

This is TRUE. The section is entitled “Extension of Authority of Special Needs Plans to Restrict Enrollment.” The section also requires a study into special needs treatment.

CLAIM: Page 379: More bureaucracy: Telehealth Advisory Committee (healthcare by phone).

This is TRUE. The section expands an existing Telehealth program.

CLAIM: Page 425: More bureaucracy: Advance Care Planning Consult: Senior Citizens, assisted suicide, euthanasia?

This is TRUE. An end-of-life care consultant program is endorsed and outlined explaining the role of such a consultant and the required actions that must be taken by a consultant.

CLAIM: Page 425: Government will instruct and consult regarding living wills, durable powers of attorney, etc. Mandatory. Appears to lock in estate taxes ahead of time.

This is PARTIALLY TRUE. The bill does require that this information be provided. However, it does not contain an estate tax provision.

CLAIM: Page 425: Government provides approved list of end-of-life resources, guiding you in death.

This is TRUE. A list of end-of-life resources available from the government is required to be provided.

CLAIM: Page 427: Government mandates program that orders end-of-life treatment; government dictates how your life ends.

This is PARTIALLY TRUE. The bill does not mandate this program, it establishes the parameters under which such a program is offered.

CLAIM: Page 429: Advance Care Planning Consult will be used to dictate treatment as patient's health deteriorates. This can include an ORDER for end-of-life plans. An ORDER from the GOVERNMENT.

This is PARTIALLY TRUE. The bill contains a section allowing for an individual to leave a medical order with an end-of-life consultant, who will then execute it should the need arise.

CLAIM: Page 430: Government will decide what level of treatments you may have at end-of-life.

This is PARTIALLY TRUE. Similar to the above claim, an end-of-life planner will carry out the wishes of the patient, including treatments wanted and not wanted.

CLAIM: Page 469: Community-based Home Medical Services: more payoffs for ACORN.

This is TRUE. Government will reach out to and fund community-based medical homes that provide care and supervision of primary care by doctors. However, there is nothing to suggest ACORN would benefit.

CLAIM: Page 472: Payments to Community-based organizations: more payoffs for ACORN.

This is TRUE. Similar as outlined above.

CLAIM: Page 489: Government will cover marriage and family therapy. Government intervenes in your marriage.

This is PARTIALLY TRUE. Although the bill strikes coverage for clinical social work, it expands the Social Security Act to include marriage and family therapists. However, it relates to private therapy services.

CLAIM: Page 494: Government will cover mental health services: defining, creating and rationing those services.

This is PARTIALLY TRUE. Similar provision as was provided above for marriage counseling.

Of the 47 total claims that were offered from the first 495 pages of the 1018 page bill, Patients First finds:

- 25 to be TRUE
- 18 to be a PARTIALLY TRUE
- 4 to be FALSE

H.R. 3200 is a massive reordering of America's health care services with a heavy bias toward injecting the government's judgment in place of doctors, installing bureaucratic control in place of patient discretion and enacting significant tax increases in hopes of stemming the deficit-busting costs of the new programs.

The analysis above provides a starting point for the digestion of the complex and onerous provisions in the current House proposal. On balance, Patients First finds the provisions examined to be a significant threat to the quality of country's health care. But don't take our word for it, read the sections of the bill outlined above and make your own decision. That's the best way to fight back against the big government mentality that is attempting to seize the nation.