

HEALTH CARE COMMENTS BY ANDY BARR AT LEXINGTON TOWN HALL AND THE FACTS:

Some comments by Andy during his opening address where outright dishonest.

- (1) We want access to affordable health care. Everyone wants that.

Yes, everyone does, but the GOP plan does not provide access to affordable health care for everyone.

- (2) We tried to put government in charge of your health care and now we are going to put doctors and patients and families in charge.

Government was never in charge of your health care. Government established rules and regulations regarding the marketplace and how insurance companies had to operate in it. But, care was provided by doctors and it was an expansion of the private insurance, not a replacement of private insurance for many people who received federal subsidies for health coverage.

- (3) The ACA is in a death spiral.

This is the claim the GOP makes, but there is no truth to it. Problems exist with fewer insurers, some of whom believe they can blackmail the government into backing off certain rules and regulations regarding health insurance. Other insurers claiming they are losing money under the present system. Some are angry at having to pay billions back to their customers because they failed to meet the 80% requirement that for every dollar collected for insurance, insurers had to pay 80% directly for health expenses for their customers. Others are claiming the taxes on them from expanded enrollment doesn't justify the cost of operating in certain high risk states like Kentucky.

Many comments by Andy appear to be half-truths:

- (4) Promised you could keep health care plan, but millions lost their health care plan.
- (5) 4.7 million have been kicked off of their Obamacare plans.
- (6) We have lost choices as a result of the ACA.

Millions did lose their specific health insurance plan, but NOT health insurance. The plans closed and they shifted to another plan. The number of health insurers have decreased, but the choice is between no coverage and some coverage, which is better?

- (7) If you are disabled or poor under Obamacare and in the traditional Medicaid population, the Federal government only reimburses at 70% and 65% in some states. But if you are an able-bodied working aged adult, and you are over the poverty line, the Federal government reimburses you more than if you are a disabled, indigent person. That is wrong.

Traditional Medicaid is what existed before the ACA. The Federal Government pays for part of that coverage and the state makes up the difference. With the expansion of Medicaid under the ACA, the Federal Government pays 100% of the coverage for the expansion for three years and then slowly cuts that back to 95% and finally to 90% coverage after several years with the states making up the difference. States don't always cover their share of the cost of Traditional Medicaid and that has been a problem with Medicaid reimbursement. Blaming this disparity on the ACA is not really a fair criticism.

- (8) Protecting from pre-existing conditions. The current system is driving up costs and driving out options.

No, the current system isn't the problem. The real problem is lots of sick people making pre-existing conditions more common. The more sick people that have health coverage increases the risk it will be used. The ACA actually makes the cost of coverage for pre-existing conditions the same as for those without any pre-existing conditions, but of course those with pre-existing conditions are more costly to treat.

- (9) We want to expand health savings accounts. We want to invite people to save and double the contribution limits and broaden how people can do it. The result is more competition, protection, empower people's choices and we will put health care decisions back in the hands of the American people. A totally market based system for the sick and we will lower costs.

It is possible to lower costs for health insurance, but it will likely come at the risk of lowering the type of coverage one gets and the exclusions that are part of the insurance policy, limits on liability for the insurer and the risk of bankruptcy for the insured should they require health coverage. We had a totally market based system before that provided incomplete coverage, rescinded coverage (which is a distinct possibility of happening again) and a system where if you do have a pre-existing condition you may well pay far, far more for your coverage, making it essential an inaccessible insurance.

- (10) Refundable tax credits: The current system is a Washington controlled system with skyrocketing premiums and limiting choices. Our solution is a totally affordable, advanceable, refundable monthly tax credit. A totally market based system, lower costs.

Refundable tax credits for a person making less than \$40,000/yr doesn't even come close to covering the cost of a year of health insurance, let alone out of pocket health care costs, not covered by insurance. Market based insurance can be lower, but coverage will likely be sketchy and incomplete. One faces a simple reality. If you require coverage for all types of medical problems under ACA, your premiums are likely to be higher than if you have limited coverage or no coverage for a number of medical problems under the AHCA. Also, if you base rates on risk, low risk people could see premiums go down and high risk people would see premiums go up. Many, unable to afford the premiums would lose insurance. Premiums are not skyrocketing under the ACA. They are going up as more people use their health insurance. This have driven up deductibles which does make it harder to pay for health coverage you need.

- (11) We want greater consumer options. We want competition across state lines. We want to end monopolies of insurance companies.

This is a smoke screen. Greater options, more competition and more choices will not cause insurance companies to suddenly lower health insurance rates when these are dictated by "cost of medical care" AND "risk associated with using that care". Health risks have increased steadily with greater obesity, diabetes, heart disease and cancer in Kentucky. Competition will not lower those health risks or lower medical costs. All it will do is create vehicles that disguise what is being offered to the public in place of comprehensive health coverage. It will replace deductibles with limited liability insurance, so coverage stops after a certain level of cost leaving the insured to cover the rest. It will insert pre-existing conditions as risks that allow insurance to rescind coverage and/or charge higher rates for coverage.

Americans could return to the days of bankruptcy where they lost all their savings and home, and ended up living in their children's basements due to a serious medical problem, as was happening before the ACA.

(12) We voted for a bill to repeal McCarron-Ferguson, the anti-trust exemption for insurance companies, because we want you, the American people to hold insurance companies accountable through more competition and choice.

Actually, this repeal was so you CAN NOT hold insurance companies accountable. This law was written to allow States to regulate insurance companies which operated in the state. Under this repeal, health insurance companies headquartered in another state would only have to follow the rules in that state, not in other states where they sell insurance. State insurance commissioners would have ZERO authority over what Insurers did in their state. They could raise or lower insurance rates at will without any accountability. Insurers could embrace "optimum pricing" in which insurance premiums are not dictated by "risk" but rather what price the insurance company feels the consumer will pay. They have done this with auto insurance, so 15 states have written laws disallowing this practice. Or how about life insurance companies that NEVER tell the beneficiaries after their loved one dies they left them a life insurance policy? If states are not allowed to regulate insurance companies operating in their states, insurance companies will likely pull just about any trick in the book to make more money.

(13) So, the result will be decreased cost, improved competition and more access to medical needs for families.

That is unlikely. Overall costs will likely increase and profits for insurance companies will increase. Millions will lose their insurance and again require emergency room coverage when sick. The health of Americans will continue to fall, much as it has in Kentucky's 5th Congressional District, where the median income is \$21,900/yr and life span since 1980 has diminished due to poor access to medical care and rising problems with health quality.