



American Cancer Society ☞ Children's Defense Fund/New York
Community Service Society of New York ☞ Make the Road New York ☞ Metro New York Health Care for All Campaign
New Yorkers for Accessible Health Coverage ☞ New York Immigration Coalition
Public Policy and Education Fund of New York/Citizen Action of New York ☞ Raising Women's Voices
Schuyler Center for Analysis and Advocacy

Script for Health Care for All New York PowerPoint

This is a script for a PowerPoint produced by Health Care for All New York (www.hcfany.org) that provides a basic introduction to the Patient Protection and Affordable Care Act. To receive the PowerPoint itself, please email Charlie Albanetti of the Public Policy and Education Fund and Citizen Action of New York at calbanetti@citizenactionny.org.

INTRODUCTION

SLIDE 1 (TITLE)

Good [afternoon], my name is _____ and I am the _____ (title) _____ of _____ (organization) _____. Thank you for being here today. _____ (organization) _____ is one of many groups that fought hard over the past two years to win significant health care reform.

SLIDE 2 Our group is a member of Health Care for All New York, a coalition of over 100 health advocates and consumer rights groups whose goal is to make sure everyone in New York has the quality, affordable, comprehensive health care they need.

SLIDE 3 (BILL SIGNING) It's been a long road to get to this point. After months of battling it out in Washington, on our TV airwaves and across cities and towns all over America, we now have a new national health reform law: the law had its first birthday on March 23rd, 2011! The law is by no means perfect. But today, I want to share with all of you why it was still well worth the fight. I'll talk about how this law helps all of us, and how millions of people are beginning to see their lives change for the better. Congress and President Obama debated, struggled and listened, and eventually passed what is truly historic legislation: legislation that I believe someday will be looked at by every American as part of the benefits they are entitled to from our government: just like Social Security is today. We hope that today's presentation will help you understand the new law and help you to share this information with your family, friends, coworkers and community.

So over the next half hour or so we'll do a few things:

SLIDE 4 First we'll remind ourselves why we needed health care reform, why it was so important to win. **CLICK** Second, we'll talk about what we will get from the new law. **CLICK** Third, we'll quickly review some of the myths that continue to be spread about

reform. We'll set the record straight. **CLICK** Finally, we'll recap by giving you some of the benefits of the new law.

WHY WE NEEDED REFORM

SLIDE 5 But first let's discuss why reform was so important.

As I go through this list, I'd like you to think of the people in your life. Who do you know who has been in one of these situations? Maybe it's you or a member of your family.

SLIDE 6 Right now there are roughly 2.6 to 2.7 million people without health insurance in New York. There are close to 50 million people without insurance in the United States. **CLICK** That's like if everyone on the east side of the Mississippi didn't have health care.

SLIDE 7 Many other New Yorkers are "underinsured": they have health insurance, but it simply doesn't provide good coverage or enough coverage. These are the folks that if someone in their family got really sick or into an accident, their insurance wouldn't cover everything and the out-of-pocket costs would send their family into financial disaster.

SLIDE 8 We can't forget that so many of us just can't afford the insurance we have, even when our employer provides it! Employees pay large amounts out of our own pockets for our share of the premiums, which lowers each pay check, **CLICK (Blank)**: and that doesn't even include co-pays and deductibles!

If a family doesn't have insurance through their job, buying quality health coverage on their own is now difficult or impossible for most low or moderate income people.

SLIDE 9 For all these reasons and others, right now 3 of 5 bankruptcies in America are related to medical bills. Many of those filing bankruptcy *have* health insurance.

SLIDE 10 And let's not forget all the folks we know who have gotten sick and who insurance company has **CLICK** dropped them, **CLICK** or denied claims, **CLICK** or delayed them over and over again.

SLIDE 11 And we have to deal with the issue of health care costs to our whole nation. Experts predicted before the law was passed that if we didn't fix health care, our annual health care expenditures nationally would nearly double in less than a decade.

SLIDE 12 Is it a neighbor, someone at church, a co-worker or a family member who has faced one of these issues? [PAUSE]

We need to remember, so many fought so hard for this reform because as a whole nation and for many of our neighbors, family and friends, our current health care system is failing. So the very good news is we won some major reforms.

HISTORY: HOW HEALTH CARE REFORM WAS PASSED

SLIDE 13 Those benefits to individuals and our society as a whole took a “take it to the streets” movement like we haven’t seen in decades.

SLIDE 14 Health care overhaul has been on the “to do” list of many presidents, starting with Teddy Roosevelt one hundred years ago.

Every time the opponents were there to fight them, calling it socialism, pouring in money to campaign against it.

SLIDE 15 The same was true in the early 90s when the Clinton Administration worked to pass their bill.

SLIDE 16 Some of you may remember, or have heard about the “Harry and Louise” ad campaign by the insurance industry: Harry and Louise - depicted as the “typical” American couple - are shown here. In all those past fights the opponents stopped reform. After the defeat of health care reform during the Clinton administration, passing meaningful legislation was effectively dead until Obama become President.

SLIDES 17-20, CLICK 8 TIMES SLOWLY OVER THESE 2 PARAS BEGINNING WITH BLANK This bit of history reminds us of just how hard it was to win the battle for a new health care reform law in 2010. The law was passed only after millions of people fought for it: using techniques like organizing through letter-writing, turning out at town hall meetings and public education. It’s yet another lesson that our country can take on the big problems and find big solutions that help many.

WHAT WE WILL GET FROM HEALTH REFORM

SLIDE 21 So what exactly will we get?

SLIDE 22 The new law, formally called the **CLICK** Patient Protection and Affordable Care Act, often shortened as the Affordable Care Act, is a plan in which individuals, businesses, and government all have a role in making sure as many people as possible get quality, affordable coverage.

In this section, I’m going to go over first what benefits are already in place, then the benefits we’ll eventually get.

First, the things that are already in place:

- **SLIDE 23** Before the new law, seniors and the disabled had to pay the *full* cost of their prescription drugs after incurring around \$3600 in drug costs under their Medicare Part D plans – until their costs got so high that what is known as catastrophic coverage kicked in.
- **SLIDE 24** This is called **CLICK (LETTERS FALL)** falling into the “donut hole.”
- **SLIDE 25** Because of the new law, seniors and the disabled in the donut hole received a \$250 rebate check in 2010. And in 2011, a manufacturer’s discount kicked in: seniors and the disabled only had to pay 50% for brand-name drugs and

93% for generic drugs – the discount will increase until 2020, when the donut hole will close entirely.

- **SLIDE 26** Next, children with pre-existing conditions - conditions they were treated for before being enrolled - **CLICK** can't be denied coverage anymore.
- **SLIDE 27** Insurers can't drop you anymore when you get sick: **CLICK** a practice called "rescission:" less of a problem in New York than many states, but still an important protection.
- **SLIDE 28** Starting last year, a federal tax credit allows small businesses that pay for at least 50% of the cost of their employee's health insurance to have up to roughly **CLICK** one-third of the cost of paying for their employees' health insurance covered. Roughly 285,000 New York small businesses are eligible for the credit: over 80% of the small businesses in the state.
- **SLIDE 29** Also because of the federal law, New York last year started a new program called the New York Bridge Plan to help provide more affordable coverage for those who have been uninsured for at least six months, are citizens or lawful immigrants and have a pre-existing condition. This is an important interim step that should cover many people before the new health insurance exchanges -- which we'll talk about in a minute or two -- are set up in 2014. We've been told that the New York Bridge Plan is being generous in determining what's a pre-existing condition, so please encourage anyone you know who's interested to apply to see if they qualify.
- **SLIDE 30** Consumers often have enormous difficulty in understanding the different health insurance alternatives available to them. To help consumers select and enroll in health plans, and to help consumers resolve disputes with health insurers and other health care institutions, a network of community-based organizations known as Community Health Advocates has been formed in New York with funding provided under the new federal health care law. Services are provided in every region of the state, and they are provided at no charge to consumers.
- **SLIDE 31** And finally, health insurance premiums will not go up as much as they'd otherwise go up without reform. Under a new *state* law passed last year that many of us fought for, the State Insurance Department can now reject health insurance premium increase requested by health plans that it determines are too high. The Insurance Department says that rate increases were 2.5% less than they would have been without reform, based on 2010: the first year the law has been in place. Also, under the new federal law and changes to our state laws, additional steps have been taken make sure that more of consumers' premium dollars are being used for health care rather than health insurer profits.

Now, let's discuss the law in a bit more detail:

Insurance Reforms/People With Employer-Sponsored Insurance

- **SLIDE 32** I'm going to first discuss protections that apply to almost everyone - whether you now have health insurance, or don't. These reforms will address many of the horror stories we've all heard about.
- **SLIDE 33** As I said before, the new law prohibits insurers from cancelling your policy just when you get sick and need the coverage, even though you've been paying premiums for years.
- **SLIDE 34** Also, insurers won't be able to refuse to pay your bills just because **CLICK** of a "pre-existing condition:" an illness you had before your current insurance coverage. Pre-existing conditions can include a wide range of problems, from cancer to even *domestic violence*, under the rules of some insurers! Because of the Affordable Care Act, insurers are no longer able to impose waiting periods of up to one year before kids with pre-existing conditions can get coverage. 1.1 million New York kids will be protected this year. Adults will be protected starting in 2014.
- **SLIDE 35** The law also bans "lifetime limits" on the amount of medical coverage your insurer will pay for you. **CLICK** This happens all the time, when your medical expenses go over a certain amount and the insurer suddenly tells you you're not covered anymore. If you, say, have a million dollars in medical expenses because you have a serious disease like cancer – no more insurance coverage! Is that fair? [PAUSE] Of course not. Unreasonable annual limits will be banned too.
- **SLIDE 36** These new legal protections - like bans on annual and lifetime limits and requirements that you get covered - are incredibly important for all of us - even if you have a job right now. The law creates a basic *guarantee* of health security. If we lose our job and therefore our insurance coverage, we'll be able to get health care coverage later when we *do* get a new job. And we can't be forced to file bankruptcy or have our life savings wiped out by an unexpected serious illness.

Small Businesses

- **SLIDE 37** Now, let's get to how the law helps small businesses.
- **SLIDE 38** The new law provides small businesses with tax credits to encourage them to provide their employees with health insurance. It's the right thing to do and keeps good employees. And small businesses will get this tax credit just by applying through their annual tax forms.
- Non-profits are eligible for credits too, but the rules are somewhat different. As you can see from the slide, 285,000 small businesses will be eligible for the credit.
- **SLIDE 39** To qualify for these tax credits, a small business can't have more than 25 employees, and the average annual wages for its employees can't be more than \$50,000.
- **SLIDE 40** For the first three years of the law, the smallest firms with low-waged workers will get a credit of up to 35% of the employers' share of the premiums they

pay for their employees' health coverage. Slightly bigger firms or those with higher wages get a smaller credit than 35%. Again, to qualify for this credit, the employer must pay at least 50% of its employees' premiums.

- **SLIDE 41** In 2014, things will get even better: the maximum tax credit will cover up to 50% of a business' share of the premium. And small businesses will be able to use the "exchanges" that I'll talk about in a minute to get cheaper rates for health insurance for their employees.

Larger employers

- **SLIDE 42** Bigger businesses are subject to different rules under the new law than I just mentioned. Businesses of 50 or more employees have to pay a penalty if they don't offer health insurance coverage or if the coverage they do offer costs too much for their employees.
- **SLIDE 43** Businesses with less than 50 employees don't *have* to offer coverage but can use the exchanges I'll mention in a minute to purchase insurance at a cheaper rate than they could have otherwise bought outside the exchange.

Exchanges

- **SLIDE 44** How can individuals who don't have insurance through their job and small businesses buy insurance? Through new exchanges which must be set up in each state by 2014. Businesses of up to 100 employees will also be able to buy coverage through a health exchange set up in New York. (But *remember*: only businesses with 25 employees or less get the small business tax credits we just talked about.)
- **SLIDE 45** The exchanges will be like "shopping malls" - or maybe like a COSTCO or a B.J.'s Wholesale Club - where you can purchase health insurance at a discount because so many people are buying there. Exchanges allow small businesses, the self-employed and individuals without insurance through their job to band together to get cheaper coverage.
- But, unlike real "shopping malls," insurance companies will not be allowed to sell any product they want in the exchanges, no matter how bad it is. You'll get real health insurance, not insurance with limited coverage and high deductibles.
- **CLICK** And there will be a cop on the beat who regulates the health insurance products that can be sold there. For example, in order to sell insurance through the exchange, you have to meet certain requirements to make sure the coverage is good. There will be different plan levels called Bronze, Silver, Gold and Platinum:

with different costs: consumers and businesses will have choices. But all plans will have the essential benefits any good health care plan should have, including coverage of doctor's visits, hospitalizations, hospital care, maternity care, mental health, prescription drugs, and rehabilitation services.

- Exchanges will have to maintain a customer call center to help you figure out what to buy, and insurers will be subject to rules on how they conduct themselves. For example, marketing rules will prevent insurers from making sleazy claims about the insurance they sell. The New York State Legislature has to pass legislation to establish an exchange before it goes into operation. We're hopeful that they'll add other consumer protections and give consumers a strong voice in running the exchange so it meets the needs of health care consumers.

Requirement of Individuals to Obtain Coverage and Subsidies

- **SLIDE 46** Though the exchanges, health insurance will be more affordable and accessible for small businesses, individuals and families, generally those not eligible for public insurance. Here's why it will be more affordable.
- **SLIDE 47** Individuals and families who earn less than 400% of the federal poverty line - \$88,000 for a family of 4 - may qualify for financial help from the government to buy insurance, called "premium credits." **CLICK**
- The amount of the financial help you will get depends on your income. Lower income people will get bigger subsidies.
- Subsidies to buy insurance are critical, because the new law *requires* all U.S. citizens and legal residents to have coverage.
- I know many - maybe some people here - don't like this so-called "individual mandate." But this is necessary to ensure that healthy people purchase coverage. If healthy people could avoid getting coverage, the cost for health insurance for everyone else would go through the roof. This is just like auto insurance: even if you've never had a car accident, you still have to buy insurance. And without the individual mandate, we'd all be paying more through our taxes for health care, as many uninsured continued to depend on emergency rooms for their primary care.
- **SLIDE 48** What happens if you *do* choose not to buy health insurance? You'll pay a small fee: much lower than many people believe. This tax will be phased in, year by year: it starts at the greater of \$95 or 1% of your income in 2014, when the state exchange is established, and rises to \$695 or 2.5% of your income by 2016. There are some exceptions to the requirement to buy health insurance, like financial hardship: if you can prove you simply can't afford insurance, you don't have to pay this fee.

SLIDE 49 (BLANK)

Cost Sharing Limits

SLIDE 50 The costs you pay as a health care consumer are not just your monthly premiums. As we said before, people pay huge amounts out of their own pocket - sometimes thousands in a year - for co-payments and deductibles. So, the new law has limits on your “out-of-pocket” costs. The absolute maximum people who purchase health care through the exchange will have to pay in one year is roughly \$6000 for individuals and \$12,000 for family policies in 2010 dollars. People who make less than 400% of the federal poverty line -- again, about \$88,000 for a family of 4 -- will have their out of pocket costs capped at significantly lower amounts.

WHAT DOES REFORM DO FOR MAJOR GROUPS OF NEW YORKERS?

That’s the basic outline of the law for most people. But I’d like to briefly mention how the law affects a few major groups of people.

SLIDE 51 Seniors and People With Disabilities

Seniors and people with disabilities are among the biggest beneficiaries of the new law, despite the dishonest tactics used by bill opponents to scare them, which we’ll talk about in the myths section of this presentation.

- **SLIDE 52** First, as I mentioned before, seniors and people with disabilities who fell into the so-called “donut hole” were automatically sent a \$250 rebate check by Medicare in 2010 and began getting discounts on their prescription drugs in 2011. 252,000 got a \$250 check in 2010!
- **SLIDE 53** By 2020, the donut hole will be closed: you’ll only have to pay the normal 25% co-pay you have to pay now for prescription drugs.
- **SLIDE 54** Second, the new law requires health plans to cover preventive services like **CLICK** mammograms and **CLICK** colonoscopies and cover a free **CLICK** annual wellness visit. This is a critical step to prevent illness, and it applies to everyone – not just seniors.
- **SLIDE 55** Third, the law cracks down on **CLICK** waste, **CLICK** fraud and **CLICK** abuse and overpayments to providers and private insurers, helping to protect both seniors and the solvency of Medicare.

- Finally, states will get aid to help their older residents live independently instead of moving into nursing homes.

Children and Young Adults

- **SLIDE 56** What about children and young adults?
- **SLIDE 57** We've already mentioned that pre-existing coverage exclusions for children are now banned. There are two other significant protections.
- **SLIDE 58** First, parents can now keep their adult children on their parents' health insurance plan up to age 26 at cheaper group rates. It's estimated that 75,000 young adults could get coverage as a result of the new federal law. And in New York **CLICK**, because of a new state law, a young adult between the ages of 27 and 29 can continue to be covered under his or her parent's health plan, but the coverage is more expensive (COBRA-like) coverage.
- **SLIDE 59** Second, Child Health Plus, New York's program for covering children, will be maintained until 2019. Since Child Health Plus is comprehensive and affordable, it will be an important alternative for low and moderate income families before the exchanges are established in 2014 and in many cases afterwards.

Low Income People

- **SLIDE 60** What about low-income people? Medicaid, the federal health program for low-income people will be expanded under the new law. As a result, up to 70,000 additional adults without children are expected to become eligible and therefore enroll in Medicaid. **CLICK** And its estimated that 440,000 more low-income New Yorkers – adults and kids – that are eligible now will enroll. Over a half million people will get health insurance because of the Medicaid changes alone!

Immigrants

- **SLIDE 61** Finally, let's talk about immigrants. The new law is a mixed bag for them.
- **SLIDE 62** On the one hand, *lawfully* present immigrants can purchase health insurance through the exchange, and are eligible for financial help to buy insurance.
- On the other hand, *undocumented* immigrants are not allowed to purchase private health insurance in the exchanges **CLICK**, *even if they are willing to pay the full cost for it* and are not eligible for premium credits. This is a case where unfortunately politics and prejudice won over good health policy.
- Despite the problems with the new health care law, undocumented immigrants should not be afraid to seek medical care in New York.

SLIDE 63 (BLANK) Now, we've gone through the major parts of the new law. Now that you know a bit of what's in there, how many people will directly benefit from one of its provisions or are close to someone who will? [PAUSE] When you consider that the law gives everyone greater economic security, I'd say everyone that's listening.

MYTHS ANSWERED

SLIDE 64 In the last part of this presentation, we wanted to talk briefly about what many have been hearing about the new law from their neighbors or maybe on TV.

SLIDE 65 [CLICK 6 TIMES WHILE READING TEXT UNTIL GOV'T TAKEOVER SLIDE] In the fight over the new law, conservative politicians, lobbyists and media figures like Sarah Palin, Glenn Beck and Rush Limbaugh spread myth after myth about reform to scare people. This of course hasn't stopped now that the law has passed. These claims deserve an answer. We have time for only two myths today,

SLIDE 66 The claim that health care reform is a government takeover is ridiculously misleading.

SLIDE 67 The fact is that the law that passed builds on the current system of private insurance, by adding millions of people to *private* insurance plans.

SLIDE 68 What the law *does* do is add some important rules that private insurance companies will have to follow so they don't take advantage of consumers, which isn't much different from what we have today. Every state *now* has an insurance department that makes sure that, for example, that health insurers don't engage in the kinds of financial games that insurers like AIG engaged in so that they have enough money to play claims.

Given the health insurer practices we've seen, like dropping people with cancer, we need these new regulations. But again, that doesn't make it a "government takeover."

SLIDE 69 Another myth is that "Your Medicare benefits will be cut." Opponents of the law are claiming to seniors and those with disabilities that the Medicare cost savings in the new law will hurt them.

SLIDE 70 This claim is not true: the budget reductions affect insurance companies and health care providers, *not benefits*. For example, studies have found that the private "Medicare Advantage" plans marketed to seniors and people with disabilities cost 14% more than regular Medicare. Lowering payments to these plans is a big portion of the so-called cuts to Medicare.

SLIDE 71 The law actually *increases* Medicare *benefits*, like eliminating out of pocket costs for preventative services. We can't go over all of the myths today for reasons of time. The point is that community leaders and consumer advocates like all of us have to keep alert and informed as new rumors get spread.

CONCLUSION

SLIDE 72 So there you have it. Why we needed it, what we got and making sure we are up on being able to dispel the myths about the new law.

This legislation does an incredible amount of good for millions of people. And, like other massive reforms, like Medicare in 1965, we believe it will eventually become part of the social fabric of our nation as people become used to the benefits. There's a lot that can be done to improve the law and federal agencies still have to clarify a lot of details about the law, so we also have to keep informed.

But let's remind ourselves in the meantime that the fight to pass the law was well worth it!

- **SLIDE 73** Roughly 2 million uninsured New Yorkers will now be able to get affordable coverage that they didn't have before. Over a half million additional people will become enrolled in Medicaid alone.
- **SLIDE 74** Roughly 285,000 New York small businesses are eligible for tax credits to buy health insurance for their employees.
- **SLIDE 75** 252,000 seniors and people with disabilities got a check in 2010 for their prescription drug costs.
- **SLIDE 76** Roughly 75,000 young adults up to age 26 will be able to be covered on their parents' health plans.
- **SLIDE 77** And the law creates the greatest expansion of the nation's "social safety net" since Medicare in 1965.

SLIDE 78 Thanks for listening. If you want more information on what we talked about today, you can visit Health Care for All New York's web page, www.hcfany.org.

SLIDE 79 [Blank screen].