

Myths About Health Care Reform

Myth #1: Health reform is a government takeover: it's socialism!

Truth: The new federal law builds on the current system of private insurance by extending private coverage to millions of additional people. The law stops the worst health insurer abuses -- like denying people insurance because they were previously sick or dumping people when they do get sick. Even before the law was passed, states regulated private insurance companies to make sure they had enough money to pay claims and in other ways. The new regulations add to the existing laws that protect us from private health insurance company abuses. That's no government takeover and doesn't make it socialism.

And what's wrong with a greater government role when needed? Medicare is a successful government program that's provided health care coverage to seniors and the disabled for decades.

Myth #2: Health reform costs too much: it will increase the deficit.

Truth: Reform will actually reduce the deficit by \$138 billion over the next 10 years and far more in the following decade, according to the non-partisan Congressional Budget Office. Many of the savings come from greater efficiencies -- getting more health care out of our health spending.

Myth #3: Health reform will raise taxes on the middle class.

Truth: The new law only raises income taxes on those who earn more than \$200,000 per year (\$250,000 for joint returns): wealthy individuals.

Myth #4: You will have to give up your own doctor and your existing coverage.

Truth: The new law does nothing to limit the ability of Americans to choose their own doctors and will not require people to drop their existing coverage.



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Myth #5: Reform will cut Medicare.

Truth: The new law actually strengthens Medicare by requiring free preventive care, closing the prescription drug “donut hole,” and making Medicare financially healthy for an additional 10 years. No Medicare benefits are cut, although there are cuts to providers and insurance companies. Private insurers that run Medicare Advantage plans will lose much of their unfair subsidies, which have increased their profits at the expense of taxpayers and the rest of Medicare beneficiaries.

Myth #6: It’s not fair to fine individuals for not obtaining health care coverage.

Truth: For the health care system to bring costs under control, everyone needs to pay their fair share through buying insurance. Otherwise, costs will spiral out of control for those who do purchase insurance. It’s just like auto insurance today: you have to obtain auto insurance if you drive, even if you’ve never had an accident. (Under the new law, if you can actually prove buying health insurance is truly a financial hardship, you won’t have to obtain coverage or pay a penalty.)

A big reason we pay so much for health care today is that when people without coverage have a medical emergency, those costs are passed on to all of us: insured people, taxpayers, hospitals and doctors. Requiring everyone to be insured will lower these costs for everyone.

Myth #7: Reform will lead to rationing.

Truth: Reform will not reduce benefits either for private coverage or for public programs like Medicare or Medicaid. In fact, reform will vastly limit current insurance company rationing by ending such practices as dumping people when they get sick, refusing to pay for needed care and discriminating against people with a history of illness (“pre-existing conditions”). The law also provides funding and incentives for more doctors and other providers to meet the needs of patients.

Myth #8: Single payer is the only real solution.

Truth: We agree that single payer would be the best solution, but we didn’t have enough political power to replace the insurance companies with a government plan for all. The new law will curb the worst abuses for everyone, extend health insurance to over 30 million additional Americans now without insurance, and improve the quality of coverage for millions more. Now that the law has passed, we should unite and fight to make sure that the new law works as effectively as possible and take full advantage of the provisions of the law that allow states to set up single payer systems or other public plans.

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