Health Care on the Precipice

Is there hope for the uninsured?
What is underinsurance?
The underinsured are insured but their insurance does not adequately cover them due to policy exclusions, cost-sharing provisions, policy caps and the like.
Researchers have defined the underinsured as...

- Having out-of-pocket medical expenses for care amounting to 10 percent of income or more;
- Among low-income adults, having medical expenses amounting to at least 5 percent of income; or
- Deductibles equal to or exceeding 5 percent of income.
12% Of Adults Who Were Insured All Year Were Nevertheless Underinsured

Total Underinsured = 16,000,000

Total Population Adults Insured All Year = 133 Million
And it will get worse . . . Within the last 7 months, the economy lost 493,000 jobs
The underinsured are almost as likely as the uninsured to incur significant medical debt.
Nearly one-half (46%) of the underinsured were contacted by a collection agency due to unpaid medical bills.
As health care cost skyrocket, increasing numbers of insured American families will join the ranks of the uninsured.
Like the uninsured, underinsured Americans don’t find much of a health care “system,” but rather a blotchy and frayed patchwork of unreliable and inconsistent programs, providers, and facilities.
As a result, they routinely experience delays in getting care for a variety of medical problems.
They receive less preventive care and poorer treatment for both minor and serious chronic and acute illnesses.
The bottom line: In many cases, the underinsured will live shorter lives than insured populations with adequate coverage.
Creates a National Health Insurance Exchange
Creates A Publically Funded, Community Rated National Health Plan
Creates a Catastrophic Reinsurance Pool
Includes a 6% Play or Pay Payroll Tax
Mandates Coverage for Kids
Eliminates Current Employer Tax Exclusion
Creates a Refundable Tax Credit ($2,500 / $5,000)
Preempts State Regulation of Nongroup Insurance by Permitting Purchase Across State Lines
Successful Health Care Reform

Commercial Grade
Universal & Portable
Affordable & Sustainable
Mandated

Comprehensive & Transformational
Comparison to the Massachusetts Plan

**Massachusetts**
- Individual Mandate
- Expand Medicaid & SCHIP
- Section 125 Required
- Connector to Private market
- Multiple Insured Plans
- Employer Mandate

**New Jersey**
- Individual Mandate
- Expand Medicaid & SCHIP
- Section 125 Required
- State-Run Public Plan
- Single, Self-Insured Plan
- No Employer Mandate
Why New Jersey is better for the underinsured . . .

- Individual Mandate for all
- Maintains Employer Tax Deduction but extends to individual via Section 125 Requirement
- Creates a State-Sponsored, privately administered, self insured plan for all of the uninsured
- Total out-of-pocket costs considered in determining subsidy
- Commercial grade benefit design with adequate coverage and reasonable cost sharing
- No Play-or-Pay employer mandate
In the meantime . . .
• Independent, National Charity
• Committed to help individuals unable to afford critical medications for serious, chronic conditions
• HealthWell is the largest of the copayment relief foundations
HealthWell Beneficiaries . . .

• Have chronic and life-threatening diseases
• Have some form of health care coverage
• Still cannot afford the out-of-pocket costs of their treatment
In a typical month . . .

- HealthWell fields more than 20,000 inquiries
- HealthWell provides more than $5 million in relief.
How does the HealthWell Foundation help?

- Since 2004, HealthWell has helped more than 50,000 patients start or continue important medical treatments
- Last year alone, awarded $44+ million to more than 19,000 patients
- A staff of over 50 manage 24 funds across a range of diseases
  - cancers
  - blood disorders
  - autoimmune diseases
So, while we await transformational reform, is there anything we can do?
You can come live with us, or . . .
In the meantime, you can . . .

- Help raise awareness about co-pay foundations
- Refer patients to co-pay foundations for assistance
- Support and fund co-pay foundations
- Encourage Transformational Health Reform
- Spread the Word
So why must we address the underinsured now?

“Somebody has to do something . . . . . . it’s just incredibly pathetic it has to be us”
Some of the uninsured are between jobs.