



The Dan Coats Hoosier Health Care Plan

A Plan Of, By and For the People

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"The Obama-Pelosi-Ellsworth health care plan will put America deeper into debt, cost Hoosier jobs and raise health care costs on families. At a time of economic crisis, we need to focus on reducing our deficit, not increasing it. We need to focus on job creation, not job-killing bills. We need to focus on decreasing the cost of premiums, not sacking Hoosiers with higher taxes." – Dan Coats

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Introduction

From Dan Coats' first day on the campaign trail, he has proposed ideas to address health care concerns that do not add to our increasing national debt, allows competition across state lines to keep premiums and costs down and at the same time keep Hoosiers employed.

The goal should not be to expand the size and scope of government health care, but instead to preserve our personal freedoms and encourage a system where the individual consumer retains control over their own decisions on critical issues and makes specific changes where there is broad public support – without burying our children and grandchildren in debt.

Unfortunately, the Obama-Pelosi-Ellsworth plan passed by Congress does exactly the opposite...

The federal government should be encouraging health care competition in a free market, not picking favorites or controlling the options. Hoosiers should be allowed to make their health care decisions, own their health insurance, and spend their money on plans that match their values and needs.

Why should Hoosiers be concerned about the Obama-Pelosi-Ellsworth plan?

Puts America further into debt...

- Adding up the pieces actually costs \$2.6 trillion by 2019, not \$940 billion, thus increasing the deficit.
- Adds another \$371 billion to the deficit by not including the Medicare physician fee schedule change.

Costs Hoosier jobs...

- Delays pooling of small business resources for health coverage until 2014 forcing businesses to make difficult decisions when it comes to the health care needs of their employees including eliminating jobs, reducing hours and wages, and limiting future job creation.



Raises health care costs for Hoosier families...

- Cost families an average of \$2,100 more each year.
- Premium increases of up to 78 percent for some families in Indiana.
- Elimination of the Healthy Indiana Plan affecting 45,000 Hoosier families.

Affects aid to low-income families...

- According to the Indiana Family and Social Services Administration and the Indiana Office of Management and Budget, the health care bill will increase Indiana's Medicaid costs by \$25 million each year and \$400 million over the next ten years.

Forces Hoosiers to fund programs against their values...

- If a Hoosier's health care needs dictate that they must choose a plan under the newly created "exchange" system that covers abortion, they will be required to make a direct payment into an abortion fund. Furthermore, plans are not required to disclose the payments into the fund.

Affects the care provided to seniors...

- Cuts Medicare by \$523 billion.

Puts young professionals behind the curve...

- In 2014, after most Americans will be required to buy insurance or pay a tax penalty, young adults seeking coverage on the open market will see a 17% increase in their premiums.

Raises taxes on investors and small business...

- Raises taxes by \$569 billion on small businesses and creates a new marriage penalty with new income and a 3.8 percent Medicare tax on investments resulting in a potential loss of 110,000 jobs each year and tax increase of \$210 billion over 10 years.

Gives new power to the IRS...

- Expands the power of the IRS to enforce a government mandate requiring Americans to purchase government-approved insurance.

Breaks the promise to our Service Members and Veterans...

- Does not entirely recognize Departments of Veterans Affairs and Defense health care programs as acceptable forms of health care coverage, meaning the nation's military and veterans could be penalized by having their current coverage through VA and TRICARE.

After all the provisions finally take affect 9 million Americans will actually lose the insurance they now have and 23 million Americans will still be uninsured in 2019.



What Needs to Occur?

Dan Coats believes we must present constructive solutions to health care reform. Solutions that Republicans, Independents, and yes, disillusioned Democrats can rally around.

The take-a-number-and-wait government run Obama-Pelosi-Ellsworth health care plan is not the right plan for Hoosiers, it's not the right plan for Americans. We need to repeal it immediately!

Then we need to start over on health care reform, from scratch, from the beginning. Republicans and conservative Democrats need to work together incrementally, piece-by-piece, do what we can afford and when we can afford it. We must understand what the real issues are that need to be addressed and make the necessary changes without running America deeper into debt.

Hoosiers want a prescription for a healthier system that preserves our personal freedoms, encourages a system where the individual consumer retains control over their own decisions and addresses critical issues without burying our children and grandchildren in debt.

- Increase competition in the marketplace to drive down costs
- Access Programs so those with pre-existing conditions receive affordable care
- Reform insurance and medical liability
- Strengthen transparency and accountability
- Keep our promises to our military personnel, veterans, and their eligible family members

We have problems in our health care system. But there are better ways to reduce costs and increase coverage without crippling Hoosiers and Americans with higher taxes and undoubtedly more job loss.

The Dan Coats Hoosier Health Care Plan provides common sense solutions for Hoosier families without raising taxes, increasing national debt, job losses, or cutting aid to seniors and those in need.



"After repealing the damage that has been done, we must seize the opportunity to ensure that constructive solutions to address the health care problems we face are the result of listening to the American people. Health care costs are out of control; we can make improvements without sacrificing personal freedoms and without tax increases and more deficit spending." – Dan Coats

Ten Priorities

Dan Coats has identified ten key priorities we must address as soon as the Obama-Pelosi-Ellsworth plan is repealed:

1) Allow Competition Across State Lines

Health care providers currently maintain a monopoly in each state meaning consumers are unable to shop for plans across state lines. Giving them the ability to do so will increase competition and decrease costs. This is especially important in Indiana, a state that shares many resources with Chicago, Louisville, and Cincinnati. Permitting competition across state lines – and giving states the incentives to do so - would benefit the citizens of not only Indiana, but also Illinois, Kentucky, Ohio, and Michigan.

2) Encourage Innovation in States

Regulating private sector health insurance is primarily - and should remain - a state responsibility. Governor Daniels led the way creating the Healthy Indiana Plan. Washington should be involved with setting broad standards and goals that provide achievement incentives to states that reduce costs and the uninsured based on the individual needs of their state.

3) Liability Reform

Our current legal system rewards trial lawyers for submitting illegitimate malpractice claims and has become the leading contributor to rising health care premium costs. After the trial lawyers receive their compensation, the patient is often left with little compensation. We must cap liability rewards. We must protect the rights of patients while reforming the affect on costs caused by the lucrative malpractice legal business.

4) Improve Medicaid and the State Children's Health Insurance Program (SCHIP)

Most Hoosier families utilizing Medicaid and SCHIP programs move on and off the assistance. Allowing states to offer recipients private health plans of their own choosing can reduce costs, expand access to appropriate care, and increase the portability and continuity when aid is no longer needed.



5) Allow for the Immediate Creation of Association Health Plans for Small Businesses

Dan Coats would not make small businesses wait until 2014 to pool resources. He would work to immediately create Association Health Plans (AHPs) allowing small businesses to band together through associations to purchase quality health care for workers and their families at a lower cost. AHPs would increase small businesses' bargaining power with insurance providers, give them freedom from costly benefit packages while keeping important consumer protections in place, and lower their overhead administrative costs by as much as 30 percent. Small businesses would enjoy the same benefits that many large corporations and many labor unions already enjoy because of their larger economies of scale.

6) Incentives for Healthy Lifestyles

Safe driving leads to lower car insurance premiums, so why doesn't living a healthy and active lifestyle lead to lower health insurance premiums? Eating right, exercising and keeping an overall balanced lifestyle should be rewarded. Healthy behaviors lead to a healthier America and a healthier America will lead to lower premiums. Instead of taxing businesses, Dan Coats will work to create a Healthy Lifestyle Tax Credit for businesses that offer a wellness program as part of their benefits package.

7) Expand Health Savings Accounts

In December 2004, one year after Health Savings Accounts were signed into law, 438,000 Americans were covered under HSA type plans. As of January 2009 that number was 8.0 million. Over thirty-percent of those were previously uninsured. Additionally, over thirty-percent are small businesses that previously did not provide coverage. Giving individuals the freedom to save their own money through Health Savings Accounts for future health care needs is a common-sense free market principle.

8) Advance the use of Electronic Medical Records While Retaining Privacy

Private providers using electronic medical records are enhancing the delivery of care, reducing costly duplicate testing, and improving information portability between health service providers. The Obama Administration allocated \$19 billion in stimulus funds for EMR enhancement but has yet to use the money. Dan Coats will work in Congress to direct the Department of Health and Human Services to accelerate the move to electronic medical records to begin producing savings for consumers and medical caregivers and ensure a better quality of care.

9) Cost Transparency

Hoosiers should be able to control their health care dollars up front – not when they receive the bill in the mail. Dan Coats will work to ensure families are provided the prices of health insurance plans or the medical goods and services they are receiving so they can compare the benefits to the cost.



10) Keep our promises to our military personnel, veterans, and their eligible family members

Any health care improvement effort must ensure the programs treating military personnel, veterans, and their families are either protected or enhanced to their benefit. These heroes have sacrificed for our country and deserve our respect in dealing with the benefits they have earned.