

# HEALTH INSURANCE CONSUMERS

## WHAT YOU SHOULD BE WORRIED ABOUT...

*Health Care Reform proposals currently under consideration in Congress would limit consumer choice, increase the taxpayer burden, and force small businesses to eliminate jobs or put up an “out of business” sign.*

- **You’ve seen how a government-run health insurance operates (e.g. Medicare)... Do you want it?**
  - A government-run plan would limit consumer choice. According to a 2007 survey by the American Medical Association, 60% of doctors say they limit the number of new Medicare patients they see.
  - A government-run plan would result in a more inefficient marketplace. The federal government has not proven itself to be a model for health care efficiency. Each year, Medicare loses \$60 billion due to fraud alone.
  - A government-run plan would increase the taxpayer burden. Take Medicare for example, according to the Medicare trustees, the Medicare Trust Fund will be insolvent by 2017. The Congressional Budget Office estimates that individual and corporate income tax rates would have to rise by about 90% to finance the projected increase in spending through 2050.
  - A government-run health insurance plan would create an inherently unlevel playing field that would drive private insurers out of the market over time and dismantle the employer-based health care system.
  - The federal government sets its own rules and there is nothing fair or level about them. According to a 2009 Lewin Group study, Medicare's current reimbursement policies pay hospitals only 71% of private rates and doctors 81%. To quantify, a 2006 Milliman study found that Medicare ultimately shifts an average of \$88.8 billion to the private market each year.
  - If a government-run plan is implemented, consumers will ultimately be left with only one choice, the government plan.
  - **Do you want to be able to choose your own health care plan and which doctor you visit? If so, tell your congressman and two senators to oppose a government-run health insurance plan.**
  
- **A new employer mandate coupled with new taxes on small businesses... Is this going to help the country climb out of a recession?**
  - A new 5.4% surtax on successful small businesses would force job losses during the deepest recession in the United States in a quarter of a century.
  - The tax increase is pegged to both small business payroll and profits – small businesses fighting to make ends meet and preserve jobs will be subject to this tax
  - An employer mandate to provide health insurance and subsidize employees’ premiums would create a new payroll tax of 8% in lieu of providing health insurance coverage.
  - A 2009 study by the National Federation of Independent Business Owners (NFIB) found that an employer mandate would result in a net loss of 1.6 million U.S. jobs between 2009 and 2013. Small businesses would be hit hardest, accounting for an estimated 66% of job losses.
  - A tax increase coupled with an employer mandate would put many small businesses in the undesirable position of deciding between job cuts or shutting their doors.
  - **Should health care reform be financed on the backs of small businesses that are struggling to make ends meet? If you don’t think so, tell your congressman and two senators to oppose new taxes on small businesses and an employer mandate.**