



Health Insurance Reform in Westchester and Rockland Counties

Health insurance reform will make health care more affordable for American families, provide security for seniors, and guarantee access to care for the uninsured while reducing the federal deficit \$138 billion over the next decade.

In Westchester and Rockland Counties, health insurance reform will:

- Improve coverage for 445,000 residents with health insurance.
- Give tax credits to up to 91,000 families and 22,100 small businesses to help afford coverage.
- Improve Medicare for 107,000 beneficiaries, including reducing and progressively closing the donut hole.
- Extend coverage to 33,500 uninsured residents.
- Guarantee that 9,200 residents with pre-existing conditions can obtain coverage.
- Protect 500 families from bankruptcy due to unaffordable health care costs.
- Allow 46,000 young adults to obtain coverage on their parents' insurance plans.
- Provide millions of dollars in new funding for 12 community health centers.
- Reduce the cost of uncompensated care for health care providers by \$81 million annually.

Affordable High-Quality Health Care for the Middle Class

Essential health insurance reforms

Under the legislation, the 445,000 district residents with insurance can keep coverage they have now, and it will get better. The bill's insurance reforms prohibit annual and lifetime limits, protect individuals from losing their coverage, ban denials for pre-existing conditions, and reduce the cost of preventive care. To rein in insurance costs, the reforms also limit the amount insurance companies can spend on administrative expenses, profits, and other overhead.

Historic health care tax cuts

Those who do not receive health care coverage through their employer will be able to purchase coverage at group rates through the new health insurance exchange. To make this affordable, the legislation contains the largest middle-class tax cut for health care in history, providing middle class families tax credits to help pay for coverage in the exchange. For a family of four making \$50,000, the average tax credit will be approximately \$5,800. There are 91,000 households in the district that could qualify for these credits if they purchase health insurance through the exchange or, in the case of households with incomes below 133% of poverty, receive coverage through Medicaid.

Coverage for individuals with pre-existing conditions.

There are 9,200 uninsured individuals in the district who have pre-existing medical conditions like cancer, heart disease, and diabetes. Under the bill's insurance reforms, they cannot be denied affordable coverage.

Financial security for families

There were 500 health care-related bankruptcies in the district in 2008 due to health care costs not covered by insurance. The bill caps annual out-of-pocket costs at \$6,200 for individuals and \$12,400 for families who purchase

insurance through the exchange or who are insured by small businesses. It eliminates annual and lifetime limits on all insurance coverage. These reforms ensure no family will have to face financial ruin because of high health care costs.

Security for Seniors

Improving Medicare

There are 107,000 Medicare beneficiaries in the district. The legislation improves their benefits by providing free preventive and wellness care, improving primary and coordinated care, and enhancing nursing home care. The bill also strengthens the Medicare Trust Fund, extending its solvency from 2017 to 2026.

Closing the Part D donut hole

Each year, 8,800 Medicare beneficiaries in the district are forced to pay the full cost for some prescription drugs. These beneficiaries will receive a \$250 rebate in 2010, 50% discounts on brand name drugs beginning in 2011, and complete closure of the donut hole within a decade. A typical beneficiary who enters the donut hole will see savings of over \$700 in 2011 and over \$3,000 by 2020.

New Coverage Options for Young Adults

The legislation will allow young adults to remain on their parents' policies until they turn 26. 46,000 young adults in the 18th district could benefit from this option. For individuals under age 30, the bill creates new, inexpensive policies that allow them to obtain protection from catastrophic health care costs.

Helping Small Businesses

Helping small businesses obtain health insurance

Small businesses with 100 or fewer employees will be able to join the health insurance exchange, benefiting from group rates and a choice of insurers. 22,400 small businesses in the district could benefit from this provision.

Tax credits for small businesses

Small businesses with 25 employees or less and average wages of less than \$50,000 will qualify for tax credits up to 50% of the costs of providing insurance. Up to 22,100 small businesses in the district could qualify for these credits.

Covering the Uninsured

The legislation would extend coverage to 95% of all Americans. If this level of coverage is reached in the district, 33,500 residents who currently do not have health insurance will receive coverage.

Relieving the burden of uncompensated care

In 2008, health care providers in the district provided uncompensated care to uninsured individuals who were unable to pay their bills. This will save our region's health care industry, which employs thousands of residents, \$81 million.

Supporting community health centers

There are 12 community health centers in the district that provide health care to the poor and underserved. If these centers receive the average level of support from the bill, \$15.6 million in new assistance would be provided to the 12 centers in the district.

Deficit Responsibility

No deficit spending

The cost of health care reform is fully paid for, in large part by eliminating waste, fraud, abuse, and excessive profits for private insurers. The bill will reduce the deficit by over \$130 billion over the next 10 years and by about \$1 trillion over the second decade.