

PHYSICIANS' COUNCIL FOR

PCRR

RESPONSIBLE REFORM

A SPECIAL PROJECT OF THE NRCC

Task Force Report

- Recruited 42 Physicians to collaboratively review the bill
- Supported by 5 staff members at the NRCC and various legislative assistants from Capitol Hill
- To date: completed a comprehensive analysis of 643 pages of the health care bill (overview up next)
- Blog site alerting our members and others to the most recent events in health care reform
- Consultations with Republican legislators and staffs on our findings
- Good exercise for our members – but legislation is hard to read if you're not a lawyer or not sitting down with the federal tax code by your side

First Impressions

- ObamaCare – H.R. 3590 – and the Reconciliation Act – H.R. 4872 did not go through any conference committees
 - Contradictions and ambiguities are common
 - To rectify vague language through clarifying regulations, tremendous power was extended to HHS Secretary Sebelius
 - Also to Labor Secretary, Treasury Secretary, and Director of the Office of Personnel Management
 - ObamaCare is – therefore – a living document, adjusting to what the White House believes it needs to do on health care
- Language is not straightforward and includes several sections that simply present arguments for ObamaCare
 - ERISA Section 715
 - Applies all changes made by two bills to Public Health Services Act to ERISA
- The bills allow plenty of room for special carve-outs and treatment of the law to particular situations
- Many of our Physicians on the Task Force sensed this room for special considerations

First Impressions

- An example of non-cleaned up language
 - America's Health Insurance Plans, Washington, believes "the legislation that was enacted prohibits pre-existing condition exclusions for children starting in 6 months, and requires guaranteed coverage for children and adults starting in 2014," according to AHIP spokesman Robert Zirkelbach.
 - Health insurers should stop searching for "non-existent loopholes," U.S. Health and Human Secretary Kathleen Sebelius wrote in a letter.
 - "I am preparing to issue regulations in the weeks ahead ensuring that the term 'pre-existing condition exclusion' applies to both a child's access to plan and to his or her benefits once he or she is in the plan."
 - From insurers' point of view, the bill language bans preexisting exclusions for health plan enrollees under 19 years of age but says nothing about whether the ban applies to applicants for coverage, or the pricing of coverage for children under 19 years of age who have health problems.
- But is all of this ambiguity really an oversight?

Alarming features of Obama's Health Reforms

Donald Berwick, M.D. – Obama administration's nominee to run CMS

- Harvard academician
- Longtime advocate for pure public health care system ("Single Payer")
- "Romantic" for UK's National Health Service
- "We believe, *and refuse to be dissuaded*, that the National Health Service ... has the inherent capability to become the greatest healthcare system of any nation."
- "Young doctors and nurses should emerge from training understanding the values of standardization and the risks of too great an emphasis on individual autonomy."
– Are they too indoctrinated in medical and nursing school?
- "The UK can decide, as an entire nation, to improve its cancer care outcomes" ... but the UK has breast cancer incident rates 88 percent higher than U.S. and more than 600 percent higher than U.S. in prostate cancer
- Berwick's powers were increased by ObamaCare, if he is approved as CMS head
 - Set up new delivery systems
 - New payment systems
 - New guidelines and protocols for all Medicare and Medicaid
 - Incentivize quality care delivery for all providers

Alarming features of Obama's Health Reforms

Privacy

- Requires enhanced collection and reporting of data on race, ethnicity, sex, primary language, disability status, and for underserved rural and frontier populations
- Directs the HHS Secretary to provide for incentives for Medicaid and Medicare beneficiaries to complete “behavior modification” programs
- Sets up a number of funds for “A Patient Centered Outcomes Research Institute” (to conduct what amounts to be cost-benefit analyses of procedures) ... as well as numerous regional data centers to be set up at non-profit organizations or in academia
- Requires disclosure of financial relationships between health entities, including physicians, hospitals, pharmacists, other providers, and manufacturers and distributors of covered drugs, devices, biologicals, and medical supplies.

Alarming features of Obama's Health Reforms

- Regulatory changes for Health Insurance Plans (private)
 - Implements price controls requiring plans to limit rate variations to age, family use, tobacco use and location
 - Requires development of national standards for claim status and Electronic Fund Transfers
- Dangerous powers given to HHS Secretary Sebelius
 - Power to dictate to state data requirements to all states starting in 2015
 - Gives power to arbitrarily influence the financial health of health care plans sold by private firms
 - Will define essential health care benefits for all plans
 - Power to order studies on any health-related subject using one of many health care related research and data collection centers
 - Will pick sites and non-profit or academic partners for data centers
 - Will order research studies by the “Patient Centered Outcomes Research Institute”
 - Can assign “appropriate penalties” to health insurance providers

Claims versus Fact in ObamaCare

Democrats promise:

- “If you like your health plan and doctor, you can keep them.”
- To “strengthen Medicare and extend the life of that program.”
- These health care reforms will create millions of new jobs.
- “Employer-sponsored plans will be grandfathered-in.”
- That this would not be paid for by cutting Seniors’ Medicare benefits.

Reality:

- Can only keep if plan conforms to a strict new set of guidelines set by Democrats - most plans don’t
- Many doctors have had to turn away new Medicare patients because of the heavy financial burdens of reforms
- New federal mandate will eliminate 1.6 million jobs, with 66% coming from small businesses
- This new federal law is so strict that it could leave more than half of employers without a grandfathered plan in 2013

Potential Serious Concerns – Red Flags

- Multi-State exchanges and health plans, its regulating effects on interstate commerce (p782-790)
- Patient Centered Outcomes Research Institute, its agenda, research priorities, administration, and enormous trust fund (p610)
- Medical Reimbursement Data Centers, scope and establishment of these entities (p773)
- Public funding to pay for abortions (p779)
- Development and Implementation Council (p182) – taxpayer funded advocacy group for ObamaCare?

Appendix

