Health Care for ALL Oregon

HCAO Position on the Affordable Care Act

The ACA has three major components: Medicaid expansion (OHP in Oregon), insurance regulation, and the Exchanges (Cover Oregon in Oregon), plus smaller elements.

ON MEDICAID, MEDICARE AND SOCIAL SECURITY DISABILITY CHANGES:

On Medicaid, Medicare and Social Security Disability changes: HCAO supports the expansion of Medicaid, which extends publicly provided health insurance to many more low-income families. We encourage the Oregon Health Authority (OHA) to defend Oregon's existing approach to long term care, based on community and home based services rather than a narrow nursing home focused model. The OHA should seek waivers from ACA provisions that presume a nursing home based model. We support changes to Medicare Part D that close the "doughnut hole" in prescription drug coverage that burdens many seniors.

HCAO opposes the continued exclusion from Medicaid coverage, and from other public health benefits for which they would otherwise be eligible, of undocumented persons, and of documented immigrants during the first five years of their residence.

INSURANCE REGULATIONS:

HCAO supports new regulations that restrict abusive private insurance practices for all private insurance, whether employment based or individual: requirement to cover pre-existing conditions; no rescissions based on claims of such conditions; the end of higher premiums for women than men; reduction of age differences in premiums; abolition of lifetime coverage limits; required preventive care coverage that is excluded from deductibles; limit on total out-of-pocket expenses. The requirement to cover essential benefits sets a floor under extremely weak insurance.

Continued age discrimination reflects a basic flaw of the private insurance model, which inherently seeks profit from subdividing risk pools. A universal risk pool from birth to death is the most efficient and effective way to share health risks.

HCAO opposes new insurance regulations that punish employers within the tax system for providing strong health benefits, while rewarding employers who offer only part time work without health benefits. Union workers are punished for having good health benefits gained by concessions on wages, other benefits and working conditions. While limiting "bad" insurance, ACA rules also lower quality standards for "good" insurance and the power of collective bargaining to set standards.

Union workers are hit in other ways. Strong non-profit union health plans will be taxed to subsidize weak for-profit insurance. Loss of tax benefits will lead employers to try to shift more health care costs to workers and make labor negotiations more contentious. Some employers may try to leave multi-employer union plans to gain a tax credit. Pre-Medicare age union retirees will lose benefits and be pushed into the exchanges.

THE EXCHANGES, INCLUDING COVER OREGON:

HCAO views the individual and small business health insurance exchanges established by the ACA as a flawed method of moving toward the important goal of universal and equitable access to needed health care. Some HCAO activists and member groups are primarily focused on the long run need and huge effort required to institute a cohesive, comprehensive, equitable, affordable, and health efficient, universal system that is publicly funded.

Yet truly universal care will take years to accomplish. Meanwhile tens of millions of people are placed in desperate need by the pre-ACA health system, and can benefit from even imperfectly expanded access to care now. Therefore many of HCAO's member organizations are actively working now to ensure that their own members and constituents can take advantage of improved benefits for which they are eligible under the ACA. Many of our individual activists support those efforts. HCAO as a coalition backs those members and activists in taking that approach.

Truly universal, equitable, affordable, publicly funded health care is the specific mission of the coalition shared by all members in our work as a coalition, and it unites us all.

Although immigrants who have legal status in the US may be eligible to purchase insurance on Cover Oregon and receive subsidies, HCAO objects to the exclusion of any persons from the exchanges and related subsidies based on immigration status.

The exchanges expand the realm of private insurance with its wasteful complexity and its rationing of care by ability to pay. Experience in Massachusetts shows that access to insurance coverage is not the same as access to health care. Market competition to keep premium prices down leads to raised deductibles and patient share percentages. Such high "cost-sharing" still rations by ability to pay, causing expensive delayed care that destroys health. The percentage of bankruptcies and house foreclosures caused by medical costs remains high. The complexity of choices in the exchanges is immense. Employer response to the existence of exchanges is uncertain. Inequities are emerging over subsidies for individual policies, but not for weak employer group plans to which low wage employers do not contribute. These factors make the ACA politically vulnerable, even when web technology problems are resolved.

HCAO also notes that the public insurance elements of expanded access under the ACA, specifically the expansion of Medicaid coverage, have been the parts most quickly and efficiently implemented, except where blocked by political obstruction. Implementation difficulties instead have arisen in the complex public-private relationships of the market oriented exchanges. HCAO therefore rejects the claim that initial difficulties with the exchanges show problems with "government health care." On the contrary, they show the problem of trying to build reform through the private health insurance market.

OVERALL:

After its reforms are implemented, the ACA leaves in place a system that fails to include everyone, fails to remove obstacles to needed and timely care, fails to support fully a shift to health promotion and prevention as priorities, and fails to protect individuals and families from risk of severe medical debt, loss of homes, and bankruptcy. The ACA also fails to cut massive fragmentation, administrative waste and perverse incentives caused by the private insurance system. It thus fails to control the underlying causes of unsupportable rises in costs, whether to individuals and families, to employers including federal, state and local governments, or to U.S. society as a whole.

Thus HCAO believes we must continue to press forward and struggle for truly universal, effective, efficient, affordable and equitable health care, while securing what gains can be made for immediate needs under the ACA. Everyone in HCAO remains committed to that cause.

CONTACT US

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