



Health Care Reform Debate Moves Forward

You have received correspondence from the Ohio Big 'I' in recent months concerning the pending Health Care Reform legislation being debated in Washington D.C. We would like to provide you with a brief interim report on the issue as things have progressed recently.

If you have been following the topic closely, as we and the National Big 'I' have been doing, you will note that now more than ever your livelihood is being debated in Congress, with the possible elimination of your role as an agent in the health care delivery system.

Specifically, Senator Ted Kennedy (D- Massachusetts) has introduced legislation in the form of a draft bill which is pending before the Senate Health, Education, Labor & Pensions (HELP) Committee. One main component of this bill creates a "Navigators" grant program, which would award grants to public and private entities to conduct public education and assist with health insurance enrollment. Health insurance issuers, including agents, would be prohibited from participating in the grant program. This program would put health care decisions in the hands of organizations with no prior health insurance background or professional expertise or training. Consumers need to rely on trusted advisors who are licensed independent insurance agents to determine their needs when purchasing health insurance.

Senator Kennedy's bill not only eliminates the agent's role in the health care system but will have a devastating effect on the private marketplace and ultimately consumers. Senator Kennedy's bill is currently being marked up with amendments and tentatively scheduled to be voted by the full United States Senate in late July.

Senator Baucus (D-Montana), who chairs the Senate Finance Committee, plans on releasing his version of healthcare reform any day now. His proposal is said to be a more moderate approach in reforming health care and will not tax employers. Currently, he is waiting on cost estimates from the US Congressional Budget to determine the actual cost of his plan.

Speaker of the House Nancy Pelosi (D-California) released Congressman John Dingell's (D-Michigan) bill this past Tuesday. His legislative bill is similar to Senator Kennedy's version. Congressman Dingell's bill contains both a public and private plan. According to the Congressional Budget office, Congressman Dingell's bill will cost one trillion dollars to implement. His proposal would primarily be funded with costs coming from the current health care system, rebates with the drug companies costing them \$50 billion dollars and a \$540 billion dollar surtax on wealthy Americans. The wealthy Americans that would be affected are married couples making more than \$350,000 and less than \$500,000 who would be assessed a 1% percent tax, with higher earners paying more than that. Speaker Pelosi has stated publicly that she intends to pass this bill before Congress heads home for their August recess.

Earlier this week, members of the Independent Insurance Agents of Ohio participated in a fly-in to Washington DC with four other national insurance associations to meet with members of Congress and their staffs. While we feel the efforts being undertaken in Washington are needed and admirable, we do have serious concerns with the health care proposals and did convey that to our representatives in Congress.

We will continue to keep you informed every step of the way and will be engaging in more grassroots efforts in late July. Please be responsive to these alerts. If you have further questions, please call Christa Colasante, Director of Public Affairs at (800) 282-4424 Ext. 236.