

S. 4, The Healthy America Act of 2005

Summary

Health care costs are high, and have been increasingly rapidly in recent years. As a result, the number of Americans without health insurance is climbing; about 45 million Americans lack health insurance coverage at any point in time, roughly half of whom are uninsured for an entire year. Rising costs also are increasing the risk that those who have insurance coverage might lose it.

The “Healthy America Act of 2005” includes a number of measures to slow the growth of health care costs, expand health insurance coverage, and improve access to quality health care for millions of Americans.

President Bush and the Republican Congress have taken a number of steps to make health care more accessible, more affordable, more efficient, and more patient-friendly. These include making tax-free, portable Health Savings Accounts available to all Americans; reducing prescription drug costs by increasing access to more affordable generic drugs; providing seniors access for the first time to affordable prescription drug coverage; increasing transparency and price competition in the Medicare program; expanding neighborhood community health centers to serve millions more needy Americans; devoting significant new resources to rural and safety net health care providers; and protecting children’s access to health care.

The legislation builds on these advances. It incorporates many of President Bush’s health care reform proposals, as well as the proposals set forth during the 108th Congress by the United States Senate Republican Task Force on Health Care Costs the Uninsured. These include measures to: empower consumers and patients; expand health care choices; improve patient safety and quality; reform the medical liability system; curtail waste, fraud, and abuse in federal health care programs; reduce regulatory burdens and costly red-tape; make prescription drugs more affordable; foster the widespread use of individually-owned, privacy-protected electronic health records; provide increased financial assistance to make health insurance and long-term care more affordable; expand affordable, portable, tax-free Health Savings Accounts; improve enrollment in public safety net health care programs; increase the number of neighborhood community health centers; and strengthen primary and preventive care networks in underserved communities.

Description of Major Provisions

Purpose. The purpose of this Act is to slow the growth in health care costs, expand health insurance and health care to millions of Americans without coverage, and improve access to affordable, quality health care.

Title 1. Short Title. The “Healthy America Act of 2005”

Title 2. Findings.

Health care costs are growing rapidly, putting health insurance and needed care out of reach for too many Americans.

Rapidly rising health costs pose a threat to the U.S. economy. They are harming the competitiveness of American businesses to compete in a global economy and making it more difficult to create new jobs.

Growing health care costs are also compromising the stability of health care safety net and entitlement programs.

There are a series of steps Congress can take to help slow the growth of health costs, expand access to health coverage, and improve access to quality health care for millions of Americans.

Title 3. Making Health Care More Affordable.

This title contains reforms to improve the efficiency of health care, reduce unnecessary paperwork and red tape, and make health care more affordable, including:

- Reforming the medical liability system to ensure fair and rapid compensation to injured patients, reduce frivolous lawsuits, and limit excessive damage awards;
- Promoting the rapid adoption and widespread use of individually owned, privacy-protected Electronic Health Records by fostering the development of standards to quickly and safely exchange electronic patient information, encouraging the use of cost-saving technology, and ensuring a coordinated federal effort to promote health information technology;
- Improving patient safety and reducing medical errors by creating a voluntary error reporting system for health care providers, allowing providers to learn from mistakes and improve patient outcomes without the fear of additional litigation;

- Reducing waste, fraud, and abuse in public and private health programs; and
- Establishing a number of mechanisms, including a Mandate Review Commission, to cut down on unnecessary or duplicative regulations that inappropriately increase health care costs.

Title 4. Expanding Access to Affordable Health Coverage

This title includes reforms to expand affordable health insurance coverage to millions of Americans, such as:

- Expanding the availability of Health Savings Accounts (HSAs) by providing an above-the-line tax deduction for the purchase of high-deductible health plans, and by providing additional support for lower income Americans and college graduates;
- Making health insurance coverage more affordable for lower income Americans by providing a tax credit to offset the cost of private health insurance premiums for those who do not qualify for employer-provided health coverage;
- Making long-term care more affordable by providing an above-the-line tax deduction to individuals purchasing long-term care insurance and increasing support for family caregivers;
- Increasing the availability of affordable health coverage options for individuals eligible for assistance under the Trade Adjustment Assistance Act (TAA);
- Expanding health coverage options for low income entrepreneurs and self-employed individuals by allowing those starting a business to cover the costs of health insurance as businesses expenses under the Assets for Independence Act;
- Encouraging innovative approaches to signing up lower income children who are eligible, but not enrolled, in public health programs, as well as rewarding states that increase enrollment;
- Supporting more affordable health coverage options and group purchasing arrangements for individuals, particularly those who work for small businesses; and
- Providing additional support for state high-risk pools that often provide an affordable source of health coverage to individuals with pre-existing health conditions and others who may have difficulty finding health coverage in the individual health insurance market.

Title 5. Improving Care and Strengthening the Safety Net

This title contains provisions to expand health care access for needy Americans and expand and improve vital health care safety net programs, including:

- Increasing access to care for rural and underserved individuals by increasing access to Community Health Centers (CHCs) and Rural Health Clinics (RHCs);
- Promoting improved prevention and expanded chronic disease management efforts through the Healthy Community Access Program (HCAP);
- Improving care coordination and access to primary care, specialty care, and hospital services by providing funding for integrated provider systems;
- Encouraging more doctors and other health professionals to serve safety net communities by expanding Federal Tort Claims Act (FTCA) liability protection for individuals providing safety net coverage;
- Making prescription drugs more affordable and available to individuals who rely on safety net programs, while establishing stronger oversight and enforcement of federal drug discount pricing programs; and
- Reducing the regulatory burden on safety net providers to enhance the provision of care to underserved communities and individuals.

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