The Patient Choice, Affordability, Responsibility, and Empowerment Act

Illustrative Examples

TOM – A part-time retail worker who lost his mini-med plan and is now uninsured

Tom is a relatively healthy 29 year-old part-time retail worker who is trying to take night classes to finish his college degree. His employer previously offered him a mini-med plan – plans that typically have no deductible but a cap on benefits. While this wasn't Tom's ideal option, he liked his plan because it was affordable and met his health care needs. But his employer canceled his coverage as a result of Obamacare's mandates. Tom then decided to get a second part-time job and scale back on his classes, because he needed to make ends meet and wanted to be able to pay to see a doctor. However, his employer scaled back his hours due to the health care law's employer mandate. Not knowing what else to do, Tom tried to sign up for coverage under Obamacare, but gave up after he spent hours trying to get the HealthCare.gov website to work—only to find out eventually that even with a subsidy, the plans he was eligible for were still expensive. Because the Patient CARE Act repeals Obamacare, the employer mandate is eliminated, and mini-med plans are allowed. This means Tom's employer will be more likely to increase his hours and offer him health insurance again. But even if Tom's employer does not offer health insurance, Tom would have lower premiums and better choices under the Patient CARE Act. He would be eligible for a tax credit worth about $1,500 to help purchase a plan on the individual market. And if Tom chose a high deductible health plan with a health savings account, he could use this credit toward paying health savings account (HSA) premiums for the first time.

JANE – A middle-aged woman who is a cancer survivor

Jane is a 54 year-old single mother with three children, ages 24, 19, and 15. She is a five-year breast cancer survivor and her youngest child suffers from severe asthma. But because she worked hard as the bookkeeper at a local construction company, she managed to make ends meet on her annual income of about $44,000. Recently, however, the construction company actually let her go due to decreased demand for new homes in the area. So Jane lost her job and employer-sponsored health insurance. Under the Patient CARE Act, Jane would be eligible for a tax credit worth about $8,800 to go toward purchasing a family plan on the individual market or to offset the costs of COBRA coverage – temporary coverage that is available to people like Jane who find themselves between jobs. Since Jane is taking responsible steps to get health coverage the week after being fired, Jane's break in coverage will not exceed more than 60 days and she will be protected by the Patient CARE Act's continuous coverage protections. This means that, whether Jane secures health insurance through another employer or purchases a plan on the individual market, health insurance companies would be prohibited from charging Jane a high premium based on her or her family's pre-existing health conditions. Her children also benefit, because they can stay on her plan up to age 26 since her state has not opted-out of the federal default policy.

GREG – A single man whose income is below 100% Federal Poverty Level (FPL), but not eligible for Medicaid

Greg is a low-income individual who is above the Medicaid eligibility income level in his state, but below 100 percent of FPL ($11,490 in 2013), so he was not able to afford health insurance under Obamacare. Under the Patient CARE plan, Greg would be able to use the health tax credit to purchase a plan that meets his health care needs.

KIM – A single woman on Medicaid who wants better choices

Kim, who suffers from multiple health conditions, including obesity and diabetes, has been on Medicaid for many years and disappointed in the quality of her care. It is hard for her to get appointments with doctors, and often times gives up trying to seek care until she is very sick, at which point she goes to the emergency room. Under the Patient CARE plan, Kim, for the first time, would have the choice to opt-out of Medicaid and use the health tax credit to purchase a private plan that will better meet her health care needs.

WILL – An elderly, disabled, low-income man

Will is a 66 year-old disabled gentleman from Arkansas who lives with his niece. About ten years ago, despite enjoying a successful career as a mechanic, Will fell on hard times. Through some costly medical bills and tough circumstances, his small savings eroded. Will learned from his doctor that he has diabetes and Chronic Obstructive Pulmonary Disorder (COPD). Living with his niece has helped him, but he still depends on both Medicare and Medicaid to meet his health care needs. Under the Patient CARE proposal, Will would be protected. The current federal funding formula would continue to be operative for allocating to states dollars to provide medical care for aged and disabled patients like Will. Additionally, Will's home state of Arkansas, and every state, will benefit from new flexibility and tools so they can revamp their Medicaid program to be more targeted and efficient to help people like Will. Empowering states with the ability to better meet their patients' needs with predictable funding will strengthen Medicaid's safety net so it can better target taxpayer resources for individuals like Will who depend on this program for their care.

JOYCE – A entrepreneur who owns her own small business

Joyce has enjoyed running her own small floral business for the past five years. She loves the autonomy and flexibility being a small business owner gives her. However, she has struggled to grow her business in recent years because many potential employees take jobs with larger companies because those jobs include health insurance. Joyce had offered her employees mini-med plans, but the combination of years of double-digit premium increases and Obamacare simply put insurance out of reach for her and her employees. Under the Patient CARE Act, she and her employees would be able to use a health tax credit to purchase insurance. She and her team could benefit from lower-cost choices, expanded HSAs, and a more stable, predictable individual and small group insurance market.

MAX – Young, healthy single uninsured guy who designs websites

Max works as an independent contractor designing websites for companies. He earns about $35,000 a year. As a young, healthy 26 year-old, Max rarely goes to the doctor and has spent more time working on his projects than really thinking about if he needs health insurance. Health insurance is something he always puts off thinking about buying when he settles down. Now, under Obamacare's increasing costs, Max would rather pay a fine than be forced to buy an expensive government-dictated plan that covers benefits he does not want or need. However, under the Patient CARE Act, Max would not be fined for not buying health insurance. In fact, while he would not be eligible for a tax credit, Max would have a wider array of lower-priced choices, including newly-improved HSA plans which would allow him to use pre-tax dollars to pay his premiums. If Max chose not to enroll in a plan during the initial open enrollment period, he could be medically underwritten and possibly have higher premiums if he enrolled in a health plan at a later date.

JOHN - Manager of a faith-based non-profit organization

John has run a faith-based, non-profit organization for 15 years, and he is proud of how his organization has long helped to meet unmet needs in his community. Unfortunately, under Obamacare, John is now not only being forced to buy a health insurance product that covers benefits he does not want or need; he is being forced to buy a product that includes coverage for services to which he morally objects. John wants his organization to continue to help provide health coverage for his employees, but he is planning on not renewing anyone's plans because of his conscience objections. Under the Patient CARE Act, Obamacare's individual and employer mandates are repealed, along with HHS' mandates. Under the Patient Care plan, John's rights of conscious are protected because he is not forced to buy health insurance that includes coverage for services to which he has a moral objection. Under the Patient Care plan, protections modeled after the Hyde Amendment would be in place to ensure taxpayer funds are not used to pay for abortions, except in the limited case of rape, incest, or the life of the mother.