



FOR IMMEDIATE RELEASE
November 2, 2009

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Independent Analysis of Health Care Reform Legislation Identifies Insurance Market Reforms for Improving Patient Access to Care

Study Examines Solutions for Faulty Insurance System through the Elimination of Pre-Existing Conditions, Limitations on Out-of-Pocket Expenses and the Exclusion of Coverage Limits

WASHINGTON, DC – The National Patient Advocate Foundation (NPAF) –a national, non-profit organization dedicated to the mission of creating avenues of improved patient access to health care through public policy reform at the state and federal levels – today released “Must Have Provisions Under Health Reform,” an independent analysis of proposed insurance market reforms and their role in improving the current health care system.

The independent analysis, completed on behalf of NPAF by Dobson DaVanzo & Associates, LLC, included a review of the three key reform bills currently being considered in the U.S. Senate and House of Representatives: America’s Health Future Act of 2009 (S. 1796), Affordable Health Choices Act (S. 1679) and Affordable Health Care for America Act (H.R. 3962). Within the context of these pieces of legislation, the analysis examines how each proposal addresses insurance market reforms cited by consumers as most important, specifically pre-existing condition exclusions, high out-of-pocket expenses for patients, and limits on coverage.

The analysis points to similar provisions within each of the health care proposals that remove the same barriers to care and concludes that this indicates a consensus among policymakers that insurance practices prohibiting Americans from accessing health care and maintaining financial health must be fixed through reform. Key findings included:

- Every American’s financial health depends on the protection provided by adequate and affordable health insurance coverage, since health insurance policies provide both physical health care and financial health.
- The magnitude and severity of insurance market failures is increasing over time which is why insurance market reforms must provide protection for individual, small group plan, large group plan and self-funded plan enrollees without delay.
- The health insurance market can be reformed in a cost-effective fashion because the insurance pool will be expanded to spread risk.

“We applaud our leaders in Washington for eliminating insurance practices that prevent patients from receiving adequate health care and urge them to accelerate the implementation of these insurance market reforms in their final legislation,” said Nancy Davenport-Ennis, Founder and CEO of NPAF. “Current insurance market policies allow too many Americans to be turned away for coverage because of pre-existing conditions

and coverage limitations. Reforms must create channels for un- and underinsured Americans to access health care, while also maintaining their financial health.”

Under today’s system, a majority of Americans who try to obtain health insurance in the individual market are denied coverage because of pre-existing conditions or because plans are simply unaffordable. Additionally, increased health care costs have resulted in higher out-of-pocket expenses, which lead to delays in care and greater financial hardships for patients. Current policies allow insurers to place limitations on coverage, essentially forcing patients to pay for their health care services on their own, often leaving patients with medical debt, and in some cases, bankrupt.

In addition to analyzing current reform proposals, researchers culled existing health care coverage statistics and cost data, and interviewed industry experts and patient representatives in the areas of insurance market reforms. In reviewing the available resources, the findings concluded that resolving the insurance market failures identified in this analysis – pre-existing condition exclusions, unaffordable out-of-pocket expenses and coverage limitations – will have a positive impact on patients’ access to care as well as their financial well-being.

“We look forward to our continued work with Congress to ensure that these solutions are enacted in reform legislation for all insured in the individual, small, large group plans as well as those in self-funded plans so more Americans – the insured, underinsured and uninsured – can access the health care all people deserve,” added Davenport-Ennis.

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