

December 17, 2009

Senator Harry Reid
Senate Majority Leader
S-221 Capitol Building
Washington, D.C. 20510-7020

Dear Senator Reid:

Families USA plans to endorse and support the health insurance reform bill we expect you to bring to the Senate floor. We recognize that this bill will constitute a compromise and is the product of your thoughtful and patient efforts to secure the 60 votes needed to pass health insurance reform legislation in the Senate.

As you know, Families USA has supported the inclusion of a robust public plan option in health reform. We believe that such an option would provide more choices for consumers, would ensure greater accountability of health insurance companies, and, through strengthened competition, would help to drive down health care costs. We continue to believe this.

We also recognize that a bill with a robust public plan option would have difficulty securing the 60 votes needed to pass legislation in the Senate. However, we have no doubt that we must reach the 60-vote threshold – both because the costs of failure are enormous and the other features of the Senate bill will provide substantial relief to America’s families.

We believe that families across America will benefit enormously from the bill’s extensive improvements to our nation’s health care system. By contrast, the failure to enact health insurance reform would have disastrous consequences for America’s families and businesses.

The Senate bill will have many commendable features that will provide significant help to America’s families. The absence of these improvements—which will happen if we fail to enact reform—will leave us on an unsustainable path of escalating health costs, high premiums, and even more Americans without health security. The following are some of the most important attributes of this historic legislation:

- *The bill extends health care coverage to tens of millions of people.* In the absence of this legislation, they will remain uninsured and millions of *additional* people will join them.
- *The bill ensures peace of mind for working families, who will no longer lose health coverage when a parent is laid off or needs to switch jobs.* Without such legislation, people losing or switching jobs will continue to be at risk of losing their family health coverage.

- *The bill stops insurance companies from denying health coverage to people with pre-existing health conditions and prohibits charging them unaffordable, discriminatory premiums.* In the absence of such legislation, Americans who get sick—the very people who most need access to quality, affordable health insurance coverage—will continue to be denied such coverage.
- *The bill prohibits insurance companies from charging discriminatory premiums to women.* Without health insurance reform, women will continue to pay considerably more in premiums.
- *The bill provides new and substantial premium subsidies to moderate-income families so that they can afford health insurance.* In the absence of such help, the cost of insurance will grow increasingly unaffordable for middle-class families.
- *The bill protects families from high out-of-pocket costs by prohibiting unfair annual and lifetime limits on how much an insurance plan covers.* In the absence of reform, families will continue to find their health insurance coverage can “run out” when they need it the most, leaving them with high unpaid medical bills that drive them into bankruptcy.
- *The bill provides parents with peace of mind by ensuring that their children can continue being covered in the family insurance policy until their 26th birthday.* Without reform, young adults – who are likely to be in entry-level jobs with low pay and minimal benefits – will continue to be disproportionately uninsured.
- *The bill offers important subsidies to small businesses to enable them to provide health coverage for their workers.* In the absence of reform, more and more small businesses will drop or diminish the health coverage they currently provide.
- *The Senate Leadership has promised that the Conference Committee bill will provide notable new help for seniors who need multiple medicines by plugging the big Medicare drug coverage gap known as the “doughnut hole.”* Without reform, that coverage gap will grow enormously in the years ahead.
- *The bill reduces wasteful, windfall payments to private insurance companies in the Medicare Advantage program.* In the absence of this legislation, taxpayers will continue to be fleeced; most seniors will pay higher outpatient premiums; and the Medicare program will increasingly be privatized.
- *The bill promotes improvements in the quality of health care by funding scientific research about the most effective prevention and treatment practices. The bill also ensures that health care decisions are made by doctors with their patients, based on unbiased and up-to-date information on what works best.* Without reform, consumers and doctors will continue to struggle to sort out information from paid advertising and other sources that can’t be trusted and that may only tell part of the story.

We believe that these significant improvements are long overdue and should not be put off any longer. As a result, we will work with you to help ensure that the Senate adopts the health insurance reform bill.

Once that happens, we intend to work with the Leadership in both houses of Congress so that the Conference Committee bill strengthens premium subsidies and out-of-pocket affordability protections, especially for people and families in greatest need. Most Americans will judge the success of the health insurance reform legislation through a “personal pocketbook test,” and we need to ensure that we meet this affordability test. We will work cooperatively with you to meet that challenge.

Sincerely,

Ron Pollack
Executive Director