



Thursday, May 14, 2009

The Honorable Max Baucus  
United States Senate  
Washington, DC 20510

Dear Senator Baucus,

Americans should not be locked out of any discussion about health care reform, particularly one that will consider whether everyone should be required to buy health insurance policies without any limits on what insurers can charge.

Mandatory purchases of private insurance policies without offering a public alternative to the private market is nothing other than a bailout for HMOs—whose greed, waste and indifference to our health have created the current mess. There's no mention of cost-cutting in the Senate Finance Committee's "policy options" document being discussed in today's closed meeting—no regulation of HMO premiums, no limits on how much consumers will have to pay out of their own pocket in co-pays or deductibles.

Americans deserve an explanation about how your plan to require all Americans to show proof of insurance or face tax penalties will provide affordable health care. Consumer Watchdog calls on you to provide a public answer to the following ten questions.

1. Senate rules appear to only allow committees to meet in closed session under very limited circumstances, including discussions concerning national defense and protection of trade secrets, none of which appear to apply to today's meeting. What Senate rule justifies today's closed-door committee meeting?
2. Why have you offered such deference to the top lobbyists of the insurance industry, which bears a large share of the responsibility for the current health care crisis, while locking consumers and consumer advocates out of the debate?
3. The only guaranteed provision in the "policy options" report is that every American would have to file proof of an insurance policy with their tax returns on April 15, 2013 or face tax penalties. How does threatening Americans with tax penalties lead to affordable health care?
4. If there are no limits on how much an insurance company can charge for the coverage that Americans will be required to buy, how can you promise that it will be affordable?

5. Your policy options do not adequately protect Americans against low-benefit, junk insurance that fails to provide access to necessary benefits and does not limit out-of-pocket expenses (co-pays and deductibles) when patients get sick. How does "owning" an insurance policy under these circumstances equal being able to get health care?
6. There are documented cases of insured people facing hundreds of thousands of dollars in unpaid medical bills. Without a cap on out-of-pocket expenses, how can you prevent this?
7. Your report says that, with few exceptions, hefty tax penalties will be levied against Americans that don't either purchase coverage or get it through their job. Is it true that only Christian Scientists would avoid tax penalties without having to prove their income?
8. One of the options that the committee is considering is to not require any employers to chip in for health insurance. Why isn't the committee considering an option where Americans would not be forced to buy coverage?
9. Your plan focuses on "wellness" services. But if patients face a \$5000 deductible how will they pay for treatment for severe obesity, diabetes prevention, or even effective smoking cessation?
10. Your plan does not clearly protect state laws providing access to necessary health care services like a California woman's right to visit an OB-GYN, a New Jersey child's access to a Hepatitis B inoculation, a Tennessee patient's coverage for diabetes treatment, and other benefits including screenings for cervical and prostate cancers. Will states be allowed to require additional health benefits beyond those required under federal rules, or will federal rules preempt more expansive state benefits?

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Flanagan', with a stylized flourish at the end.

Jerry Flanagan  
Health Care Advocate