

HR 1200: The American Health Security Act of 2011

Sponsor: Representative Jim McDermott, WA 7th Congressional District

The American Health Security Act of 2011 (the Act) provides every American with affordable and comprehensive health care services through the establishment of a national American Health Security Program (the Program) that requires each participating state to set up and administer a state single payer health program. The Program provides universal health care coverage for the comprehensive services required under the Act and incorporates Medicare, Medicaid, the Children's Health Insurance Program, the Federal Employees Health Benefits Program and TRICARE (the Department of Defense health care program), but maintains health care programs under the Veterans Affairs Administration. Private health insurance sold by for-profit companies could only exist to provide supplemental coverage.

The cornerstones of the Program will be fixed, annual, and global budgets, public accountability, measures of quality based on outcomes data designed by providers and patients, a national data-collection system with uniform reporting by all providers, and a progressive financing system. It will provide universal coverage, benefits emphasizing primary and preventive care, and free choice of providers. Inpatient services, long term care, a broad range of services for mental illness and substance abuse, and care coordination services will also be covered.

A seven-member national board (the Board) appointed by the President will establish a national health budget specifying the total federal and state expenditures to be made for covered health care services. The Board will work together with similar boards in each of the fifty states and the District of Columbia to administer the Program.

A Quality Council will develop and disseminate practice guidelines based on outcomes research and will profile health care professionals' patterns of practice to identify outliers. It will also develop standards of quality, performance measures, and medical review criteria and develop minimum competence criteria. A new Office of Primary Care and Prevention Research will be created within the Office of the Director of the National Institutes of Health (NIH).

The Program is designed to provide patient-centered care supported through adequate reimbursement for professionals, a wealth of evidence-based information, peer support, and financial incentives for better patient outcomes. The Program seeks to ensure medical decisions are made by patients and their health care providers.

The Program amends the tax code to create the American Health Security Trust Fund and appropriates to the Fund specified tax revenues, current health program receipts, and tax credits

and subsidies under the Affordable Care Act. The program will be financed by a new health care income tax, an employer payroll tax, a surcharge on high income individuals, and a tax on securities transactions.

The federal government would collect and distribute all funds to the states for the operation of the state programs to pay for the covered services. Budget increases would be limited to the rate of growth of the gross domestic product. Each state's budget for administrative expenses would be capped at three percent.

Each state would have the choice to administer its own program or have the federal Board administer it. The state program could negotiate with providers and consult with its advisory boards to allocate funds. The state program could also contract with private companies to provide administrative functions, as Medicare currently does through its administrative regions. State programs could negotiate with providers to pay outpatient facilities and individual practitioners on a capitated, salaried, or other prospective basis or on a fee-for service basis according to a rate schedule. Rates would be designed to incentivize primary and preventive care while maintaining a global budget, bringing provider, patients, and all stakeholders to the table to best determine value and reimbursement.

Finally, the Program also relieves businesses from the heavy administrative burdens of providing health care coverage, puts all businesses on an even playing field in terms of healthcare coverage, and increases the competitiveness of American companies in the global marketplace. Every other industrialized nation has been able to use the power of a public authority to provide universal health care. The American Health Security Act of 2011 seeks to do just that for all Americans and their businesses.

For the full text of HR 1200 and the companion Senate bill S. 915, see www.thomas.gov.

Your comments are welcome. Email to Congressman McDermott's Community Liaison David Loud at david.loud@mail.house.gov, or mail to Congressman McDermott at 1809 7th Avenue, #1212, Seattle, WA 98101, or call 206-553-7170

Resources to Understand and Track Health Care Reform 2011

These websites give access to definitive information on the new federal healthcare reform law, The Patient Protection and Affordable Care Act of 2010 (PL 111-148 as amended by PL 111-152). Implementation of the many provisions of the law requires the adoption of rules and regulations, mostly by the Department of Health & Human Services. Many are already in place. Much of the implementation will be the responsibility of the states. Washington State has made a vigorous early start, and prior to the passage of federal law had already adopted important elements of healthcare reform at the state level, as reflected in the WA websites below.

U.S. Department of Health and Human Services (DHHS)

www.HealthCare.gov Launched July 1, 2010, this is the best one-stop shop for all aspects of federal healthcare reform. It is also the first source ever to include a guide to all public and private insurance options across the country.

- Congress
legcoun.house.gov/members/statutes.html Here you will find a consolidated print of the Patient Protection and Affordable Care Act. (Note: these are reference documents and should not be cited as law.)
- The White House
www.whitehouse.gov/issues/health-care
- U.S. Center for Medicare & Medicaid Services
www.cms.gov/OpenDoorForums Scheduled live dialogues with CMS on specific topics
- Washington State Office of the Governor
www.governor.wa.gov/priorities/healthcare/reform.asp
- Washington State Office of the Insurance Commissioner
www.insurance.wa.gov/consumers/reform/national_health_care_reform.shtml
- Washington Legislature's new Joint Select Committee on Health Reform Implementation
www.leg.wa.gov/JointCommittees/HRI/Pages/default.aspx
- Washington Prescription Drug Program
This is available to any WA resident without prescription insurance, OR for Medicare beneficiaries who have a Medicare Part D plan and are in the donut hole. It offers discounts on drugs and there is no fee to enroll. See www.rx.wa.gov.

You are also welcome to contact the office of Congressman Jim McDermott (WA 07):

District Office: 206-553-7170

Contact DC office through the official website: www.mcdermott.house.gov

or 202-225-3106