

health insurance

The Time Is Right

- **Widespread support:** Elected officials from both major parties, including President Bush; opinion leaders like the New York Times and Los Angeles Times; and leading health care economists and health policy analysts support tax credits for individuals and families to purchase health insurance.
- **Emergence of Internet-Based Health Insurance Marts:** Some organizations have already created Internet-based Health Insurance Marts to expand the health insurance options that employers offer their employees.
- **Demand for change:** Frustrations expressed by patients, physicians, and others who pay for health care make now the ideal time to fix the current system and put you in the driver's seat.

For more information on the AMA Proposal, visit our Web site at:
www.ama-assn.org/go/healthpolicy



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Physicians dedicated to the health of America

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Are your health insurance options limited?

Have you ever had to change your health insurance plan when you didn't want to?

Do you think you may have difficulty affording health insurance in the future?

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The Problem

- **Limited choice:** Most people are offered only one health insurance plan chosen by their employer. This one-size-fits-all plan may not meet your health care needs.
- **Disruptions in care:** Many people are forced to change their health insurance plan because they change jobs or their employer changes plans. In addition to the hassle of locating a new doctor, such disruptions in care may compromise the quality of medical treatment you receive.
- **Large number of uninsured:** There are over 42 million uninsured Americans, the vast majority of whom are employed. Those without health insurance are much less likely to receive adequate health care and the costs of providing medical treatment to the uninsured are passed on to you in the form of higher insurance and other health related costs.
- **Unresponsive health insurance plans:** Health insurance plans feel little, if any, pressure to be responsive to your needs when your employer, rather than you, selects your plan.
- **Unfair tax treatment:** The tax treatment of health benefits is unfair because the government provides significant tax benefits only to those who obtain health insurance through their employer and those with the highest incomes receive the greatest benefit from this tax break.

The Solution

The AMA Proposal

- **Individually selected and owned health insurance:** As another option to your employer selecting health insurance for you, your employer could provide you with the same amount of money they spend on health insurance and allow you to choose a plan that best meets your needs. You could select a plan that is completely covered by your employer's contribution or choose a plan with additional features. The choice would be entirely up to you.
- **Health Insurance Marts:** Choose from a variety of competitively priced plans by shopping for your coverage at a Health Insurance Mart, which could include coalitions of small employers, unions, trade associations, voluntary health insurance cooperatives, chambers of commerce, and other community organizations. The Health Insurance Mart and other resources would assist you in selecting the plan that is right for you. If you were satisfied with the health insurance you purchased through your employer, you also could continue with that coverage.
- **A tax credit:** Receive a tax credit for purchasing health coverage, whether or not you obtained your coverage through your employer. The credit — subtracted directly from the amount of taxes you owe — would be large enough to ensure that health insurance is affordable for most people. Those with the lowest incomes would receive the largest credit and those who do not owe taxes would receive a payment or voucher instead.

The Advantages

of the AMA Proposal

- **Increased choice:** You — not your employer — would decide where and how to spend your health care dollars.
- **Greater portability:** You could take your health insurance with you when you changed jobs.
- **Expanded coverage:** More than nine out of 10 Americans — nearly 95% — would have health insurance.
- **Lower costs:** Reducing the number of uninsured would decrease the inflated health care costs you currently pay.
- **Improved quality and service:** Health insurance plans would be forced to truly compete on the basis of quality and the level of service they provided you.
- **Increased Fairness:** You would be eligible to receive a tax break for the purchase of health insurance, whether or not you obtained your coverage through your employer. The tax credit would be targeted to those who needed the most help buying insurance and would provide a safety net for you if you experienced a catastrophic financial event.