

# The Rendell Health Care Plan

## *Insurance for All Pennsylvanians Lower Costs and Control of Insurance Abuses*

**The Prescription for Pennsylvania** is the new health care proposal proposed by Governor Rendell to offer health care to all Pennsylvanians, while working to reduce the costs of health insurance which is harming our businesses and forcing more and more to cut health benefits and/or raise co-pays to workers. This is Rendell's main initiative of his second term and a great opportunity to change the way health care works in Pennsylvania

### **Cover All Pennsylvanians (CAP)**

#### **Low Cost Health Insurance for all Adults**

Uninsured adults making less than \$29,400 (\$60,000 for a family of 4) will pay between \$10 and \$60 per month for **full health insurance coverage, including prescriptions**, under the CAP program. Families over 300% of poverty could pay the full cost or \$280 per adult.

Small employers will be offered subsidized insurance (at \$130/ month per employee) for their workers, who would also pay between \$10 and \$70 for their insurance.

**Monthly Premiums for Employees  
Whose Employers Participate in CAP**

Federal Poverty Level	Single Adult Maximum Gross Income	Family of 4 Maximum Gross Income	Monthly Premium per Adult Employee
0-100%	\$9,800	\$20,000	\$10
101%-200%	\$19,600	\$40,000	\$40
201%-300%	\$29,400	\$60,000	\$60
Over 300%			\$70

**Monthly Premiums for All Other  
Adults Who Participate in CAP**

Federal Poverty Level	Single Adult Max. Gross Income	Family of 4 Max. Gross Income	Monthly Premium per Adult Employee
0-100%	\$9,800	\$20,000	\$10
101%-200%	\$19,600	\$40,000	\$40
201%-300%	\$29,400	\$60,000	\$60
Over 300%			\$280

### **Cover All Kids**

#### **Low cost or free health insurance for all children in PA**

Parents (with incomes up to 300% of poverty or \$60,000 for a family of 4) will pay small monthly premiums for an expanded CHIP program to cover their children. Over this amount parents will pay the state's cost which is about \$150 per month.

## Reducing Costs

**Costs will be kept down on medical care** in various ways which should lead to reducing the costs of health care and insurance in the state.

Hospitals will have to provide out patient clinics on evenings and weekends for non-emergency medical care to reduce the costs of seeing such patients in emergency rooms.

Insurance companies would not be allowed to disqualify people from insurance due to pre-existing conditions and be restricted to how much money they could take for things other than providing health care.

Serious steps will be taken to reduce hospital acquired infections, improving health quality and reducing costs of treating these unnecessary illnesses. These illnesses cost billions to treat and can be greatly reduced if proper steps are taken.

Chronic illnesses like diabetes, high blood pressure, etc. would begin to be treated with state of the art approaches to reduce expensive hospitalizations and improve patient's health.

Midwives, Nurse Practitioners, and Physicians Assistants will be able to provide certain kinds of routine, basic medical care to expand access to care and reduce health costs.

## Financing for Prescription for Pennsylvania

The plan will be financed by **a tax on employers that do not provide health insurance**, with small business exempted at first. An increase in tobacco taxes will also provide funding. Low wage workers and small employers will pay an affordable amount of the cost of their CAP coverage. Federal and existing state funds used for the uninsured will also help pay for the CAP and Cover All Kids programs.

During the first year the Governor has budgeted funds to insure 155,300 uninsured adults. After four years he predicts that 431,300 currently uninsured people will be covered by CAP.