

April 20, 2006

Dr. Gregory McDonald  
1234 XXX Rd.  
Iowa City, IA 52240

Dear Gregory:

Thank you for contacting me. I am always glad to hear from you.

I appreciate you contacting me regarding S. 1955, the Health Insurance Marketplace Modernization Act (HIMMA). The Health, Education, Labor, and Pensions (HELP) Committee recently passed HIMMA and it has been placed on the calendar for future consideration in the Senate.

In my travels around the state, I continue to hear from Iowans about the exorbitant costs of health insurance. Small businesses simply can't afford to provide health care for their employees, and I believe Congress needs to address this. Access to quality, affordable health care should be a right, not a privilege. It should be a right because people's lives, their security, and their ability to contribute to society are all undermined if they are not healthy. I also believe that access to health care coverage saves taxpayer money in the long run. Bear in mind that U.S. taxpayers spend billions annually due to overuse of emergency rooms, treatment of chronic conditions and treatment of the uninsured.

Unfortunately, as currently written, HIMMA does not provide a reasonable solution for small business owners and their employees who lack health insurance. As a member of the HELP Committee, I opposed HIMMA because the legislation fails to create plans that would offer comprehensive health care coverage at affordable rates. First, HIMMA eliminates state protection of benefits for certain coverage that would not otherwise be provided, and fails to address chronic disease prevention. Elimination of state coverage protection will create a health care system that denies individuals access to preventive services and will limit access to screenings that can detect chronic diseases. For example, states around the country require insurers to cover diabetes testing supplies, cancer screenings, and health screenings for newborns. In Iowa, S. 1955 would eliminate coverage protections for dental care, mental illness, mammography, immunizations and well baby care for example.

In addition, this legislation fails to control the rising cost of health care. HIMMA also allows small business health plans to divide enrollees into as many as nine different groups with widely varying premiums from group to group. In its current form, this provision means that health insurers would be able to charge dramatically higher premiums to businesses that have unhealthy employees. Unfortunately, this means many businesses will not see a change in the premiums they are charged now.

Currently, no date has been set to consider S. 1955 in the Senate. However, please rest assured I will keep your views in mind as the bill moves through the legislative process.

I believe there is a better way to offer health insurance to small businesses. I am a co-sponsor of S. 2510, the Small Employers Health Benefits Program Act of 2006. This bill would give more Americans access to the Federal Employees Health Benefits Program (FEHBP), the program that covers members of Congress, congressional staffers and many federal employees, by allowing small businesses to purchase privately sponsored coverage for their employees. FEHBP offers a choice of plans, but the plans are required to offer high quality insurance, not stripped down benefits packages that are unhelpful to people with pre-existing conditions or chronic diseases. This approach uses large pools of people to bring premium costs down, but still guarantees access to quality insurance. The bill also provides a tax credit to make insurance offered under the plan more affordable.

This solution holds genuine promise, and we need to pursue it aggressively.

Finally, our entire health care system needs to be oriented away from one that only treats specific conditions to one that promotes prevention of illness in the first place. I believe the government can play a useful role in this process by encouraging businesses to promote healthy living for their employees, challenging the insurance industry to reduce health insurance premiums for people who lead healthy lifestyles, changing the way Medicare reimburses doctors and hospitals for preventive care, and by promoting healthy eating and exercise habits through our schools. I have introduced legislation - S. 1074, the Healthy Lifestyles and Prevention Act of 2005 - to accomplish many of these goals. Shifting the way we think about health care will lead to lower costs in the long run for all Americans.

Again, thanks for sharing your views with me. Please don't hesitate to let me know how you feel on any issue that concerns you.

Sincerely,

Tom Harkin  
United States Senator