

FOR IMMEDIATE RELEASE
December 24, 2009

Contact: Kate Cyrul / Bergen Kenny
(202) 224-3254

WITH HARKIN'S SUPPORT, SENATE PASSES LANDMARK HEALTH REFORM MEASURE

Legislation decreases the number of uninsured, increases access to affordable care and makes health insurance companies more accountable

Includes historic investment in prevention, wellness

WASHINGTON, D.C. – Senator Tom Harkin (D-IA) today joined the Democratic Senate majority in supporting The Patient Protection and Affordable Care Act. The legislation passed the Senate by a vote of 60 to 39 and will now go on to conference with the House. Harkin is Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, one of the two Senate committees charged with crafting health reform.

“Today I cast one of the defining votes of my Senate career – a vote that will bring the promise of comprehensive health reform closer to every American,” **said Harkin.** “Our legislation has a simple goal: decrease the number of uninsured, increase access to affordable care and make health insurance companies more accountable. In passing it today, we send an important message to Americans that help is on the way – that your insurance company can no longer discriminate against you for a pre-existing condition or based on your gender; if you’re a small business owner, you will have more choice and competition in the marketplace, and if you’re a senior, you will the prescription drug coverage you need.

“But we also know that in order to truly bend the cost curve, we must break the cycle of rising chronic disease that is keeping health care costs high,” **continued Harkin.** “I can say without hesitation that this legislation provides an historic investment in prevention and wellness at every level –federal, clinical and in our communities to remove the barriers to healthy living.

“The Patient Protection and Affordable Care Act is landmark legislation and it will provide the reforms our country so desperately needs at a time when we need them the most.”

Some of the immediate benefits of the bill include:

Access to Affordable Coverage for the Uninsured with Pre-existing Conditions: the bill provides \$5 billion in immediate federal support for a new program to provide affordable coverage to uninsured Americans with pre-existing conditions. This provision is effective in 2010, and coverage under this program will continue until new Exchanges are operational in 2014.

Access to Quality Care for Vulnerable Populations: the bill makes an immediate and substantial investment in Community Health Centers to provide the funding needed to expand access to health care in communities where it is needed most. This \$10 billion investment begins in 2010 and extends for five years.

No Pre-existing Coverage Exclusions for Children: the bill eliminates pre-existing condition exclusions for all Americans beginning in 2014, when the Exchanges are operational. Recognizing the special vulnerability of children, the Managers' Amendment prohibits health insurers from excluding coverage of pre-existing conditions for children, effective in 2010 and applying to all new plans.

Closing the Coverage Gap in the Medicare (Part D) Drug Benefit: the bill reduces the size of the "donut hole," raising the ceiling on the initial coverage period by \$500 in 2010.

Small Business Tax Credits: the bill will offer tax credits to small businesses beginning in 2010 to make employee coverage more affordable. Tax credits of up to 35 percent of premiums will be immediately available to businesses that choose to offer coverage; later, when Exchanges are operational, tax credits will be up to 50 percent of premiums. The full credit will be available to firms with 10 or fewer employees with average annual wages of \$25,000, while businesses with up to 25 or fewer employees and average annual wages of up to \$50,000 will also be eligible for the credit.

Free Prevention Benefits: The Patient Protection and Affordable Care Act will require coverage of prevention and wellness benefits and exempt these benefits from deductibles and other cost-sharing requirements in public and private insurance coverage. This provision takes effect in 2010 and applies to all new plans.

No Lifetime Limits on Coverage: The Patient Protection and Affordable Care Act will prohibit insurers from imposing lifetime limits on benefits. This provision takes effect in 2010 and applies to all new plans.

Restricted Annual Limits on Coverage: The Patient Protection and Affordable Care Act will tightly restrict insurance companies' use of annual limits to ensure access to needed care, effective six months after enactment for all new health plans. These tight restrictions will be defined by the Secretary of Health and Human Services. When the Exchanges are operational, the use of annual limits will be banned.

Rural and underserved communities: Access will be expanded through funding for rural health care providers and training programs for physician and other types of health care providers.

Preventive medicine and public health training grant program: Amends and reauthorizes section 768 of the Public Health Service Act, the preventive medicine and public health residency program.

Loan repayment for faculty at schools that train physician assistants: Includes faculty at schools for physician assistants as eligible or faculty loan repayment within the workforce diversity program.

National diabetes prevention program: Establishes a national diabetes prevention program at the Centers for Disease Control and Prevention. State, local, and tribal public health departments and non-profit entities can use funds for community-based prevention activities, training and outreach, and evaluation.

Adjustment to Low-Volume Hospital Provision (“Tweeners” Hospital Fix): The amendment increases threshold for eligible hospitals from 1,500 Medicare Part A discharges per year to 1,600 per year.

Rural physician training grants: Authorizes grants for medical schools to establish programs that recruit students from underserved rural areas who have a desire to practice in their hometowns. Programs would provide students with specialized training in rural health issues, and assist them in finding residencies that specialize in training doctors for practice in underserved rural communities.

For a full version of the legislation, click here: <http://democrats.senate.gov/>.