

# ***EMPOWERING PATIENTS FIRST ACT***

*A Solution from the Republican Study Committee for Access to Affordable, Quality Health Care for All Americans*

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## **Pillar #1: Access to Coverage for All Americans**

*Makes the purchase of health care financially feasible for all* – Extends the income tax deduction (above the line) on health care premiums to those who purchase coverage in the non-group / individual market. And, there is an advanceable, refundable tax credit (on a sliding scale) for low-income individuals to purchase coverage in the non-group / individual market.

*Covers pre-existing conditions* – Grants states incentives to establish high-risk / reinsurance pools. Federal block grants for qualified pools are expanded.

*Protects employer-sponsored insurance* – Individuals can be automatically enrolled in an employer-sponsored plan. Small businesses are given tax incentives for adoption of auto-enrollment.

*Shines sunlight on health plans* – Establishes health plan and provider portals in each state, and these portals act to supply greater information, rather than acting as a purchasing mechanism.

## **Pillar #2: Coverage Is Truly Owned by the Patient**

*Grants greater choice and portability* – Gives patients the power to own and control their own health care coverage by allowing for a defined contribution in employer-sponsored plans. This also gives employers more flexibility in the benefits offered.

*Expands the individual market* – Creates pooling mechanisms, such as association health plans and individual membership accounts. Individuals are also allowed to shop for health insurance across state lines.

*Reforms the safety net* – Medicaid and SCHIP beneficiaries are given the option of a voucher to purchase private insurance. And states must cover 90% of those below 200% of the federal poverty level before they can expand eligibility levels under Medicaid and SCHIP.

## **Pillar #3: Improve the Health Care Delivery Structure**

*Institutes doctor-led quality measures* – Nothing suggested by the Council for Comparative Effectiveness Research can be finalized unless done in consultation with and approved by medical specialty societies. It also establishes performance-based quality measures endorsed by the Physician Consortium for Performance Improvement (PCPI) and physician specialty organizations.

*Reimburses physicians to ensure continuity of care* – Rebases the Sustainable Growth Rate (SGR) and establishes two separate conversion factors (baskets) for primary care and all other services.

*Promotes healthier lifestyles* – Allows for employers to offer discounts for healthy habits through wellness and prevention programs.

## **Pillar #4: Rein in Out-of-Control Costs**

*Reforms the medical liability system* – Establishes administrative health care tribunals, also known as health courts, in each state, and adds affirmative defense through provider-established best practice measures. It also encourages the speedy resolution of claims and caps non-economic damages.

*Pays for the plan* – The cost of the plan is completely offset through decreasing defensive medicine, savings from health care efficiencies (reduce DSH payments), ferreting out waste, fraud, and abuse, plus an annual one-percent non-defense discretionary spending step down.