

Chapter 8

CHOICE

"The President's proposal guarantees stable and secure health coverage for all Americans, regardless of employment or health status. Patients can stay with the same doctor over time because patients, not employers, control their coverage choices. Patients, not their employers, choose their health plans and their physicians."

American College of Physicians

Americans value the right to decide how and where they get health care. It is a key measure and protector of quality. Yet thousands of Americans are losing that right each year, as rising health care costs force employers to cut back on the number of health plans and doctors they'll cover.

Americans will gain a new level of control over their health care choices through the Health Security Act. For many, no element of reform will be more important than the right to choose their own doctor, hospital or health plan.

CHOOSING A DOCTOR

A fundamental flaw in today's health care system is that employers — rather than employees — have the power to choose health plans and, consequently, the doctors, hospitals and others who provide care.

The Health Security Act corrects that flaw. Through comprehensive

CHOICE OF DOCTORS

Choice is the basis of the doctor-patient relationship. For patients, the ability to keep seeing their own doctor — someone who knows them and their family — who knows their medical history, who knows how to care for them when they are ill, someone whom patients trust, can mean the difference between a good experience and a frightening one, between a successful outcome and a poor one.

The Health Security Act ensures that consumers can follow their doctor and his or her team to any plan they might join. The Act requires every health alliance to have a point-of-service option, which gives patients the opportunity to see a doctor outside of their plan, although some plans will require extra payment for that option.

If they choose, physicians and other health providers will be able to join more than one health plan. These health care providers may also decide to remain in private practice rather than join a health plan. Patients will still have the opportunity to see their doctor even if he or she is in private practice.

reform, it transfers the power to choose back to individual Americans and their families. It requires both regional and corporate alliances to offer a broad choice of health plans, including at least one plan organized around the traditional fee-for-service style, where consumers visit any doctor they choose, and their health insurer pays the bill.

For patients who choose certain types of health plans, exercising the right to see a doctor who does not participate in the plan will cost more, as it does today. But that right — known as a "point-of-service" option — will always be there, even in HMOs. It reserves for

every American the right to seek the care of doctors and hospitals on the leading edge of treatment if they ever confront an illness in which even specialized care available through their regular doctors and hospital is inadequate. So, if you join a plan that includes your obstetrician, your son's pediatrician, but not your daughter's dermatologist, it will cost more, but you can continue to see them all.

Health reform will also make it easier for patients to follow their doctors, even if their doctors decide to switch health plans. Because an increasing number of employers restrict the choice of plans available to employees, a patient whose doctor leaves one plan probably has little choice but to find another doctor. Under the Health Security Act, the patient will always have the option of switching plans each year, something that most people can't do today.

For doctors and other health providers, health reform also expands choice — the choice of health plans in which they practice. Under the Health Security Act, physicians and other health professionals may participate in as many, or as few, competing health plans as they wish. And because patients are guaranteed a point-of-service option in every plan, physicians will know that patients will be able to seek them out.

CHOOSING A HEALTH PLAN

Millions of Americans choose physicians and other health care providers and pay for their services one at a time through traditional indemnity insurance, a style of coverage usually described as fee-for-service. Over the last two decades, millions of other Americans have moved into so-called “managed care” health plans, including preferred provider organizations (PPOs) or Health Maintenance Organizations (HMOs).

All of those options — and other innovations that will evolve — will continue. What the Health Security Act will provide is the guarantee that a wide range of alternatives will exist and that American consumers, not their employers, will have the opportunity to choose among them.

XEROX

A Model for Reform

Most businesses pick their employees' health plan — but not the Xerox Corporation. Xerox offers its employees a choice of plans. Although it might sound like more trouble than it's worth, Xerox has managed to save money by offering choices.

Before changing the way it dealt with health benefits, annual premium increases of 20% were not unknown at Xerox. So the company started offering its employees a choice of plans at its 250 sites across the country. Xerox would pay based on the cost of the “benchmark” or average-cost plan. If the employee picks a low-cost plan, he saves money. The employee's job was to choose plans based on price and quality — and Xerox hoped that the competition among health plans would drive down costs.

It worked. Xerox's premiums have stopped spiraling higher and higher every year. And Xerox's strategy — using choice and competition to drive down costs — is central to the Health Security Act.

INCREASING OPTIONS FOR LONG-TERM CARE

Expanded choice must also mean a greater set of options for Americans in need of long-term care. Today, choices are not only limited, they are costly. People either pay the full cost of home care out-of-pocket, pay the full cost of care in a nursing home, or spend themselves into poverty in order to qualify for government help, most often only for nursing home care.

Long-term care options are expanded and improved under health care reform. The Health Security Act provides a new federal program to cover home and community-based care, an option that most people prefer, and that often costs less than a nursing home.

For those who plan ahead by purchasing private long-term care

AMERICANS WITH DISABILITIES

For Americans with disabilities, access to comprehensive coverage without lifetime limits is the most important achievement of The Health Security Act. That guarantee will allow many Americans with disabilities to work without fear of losing health coverage.

New tax incentives will remove obstacles preventing people from seeking employment, opening the door to the personal freedom that employment provides. Employed individuals with disabilities who require personal assistance will be eligible for tax credits covering 50 percent of their costs up to a maximum of \$15,000 each year.

Home and community-based long-term care will be provided to Americans of all ages with severe disabilities. People who have cognitive and mental impairments qualify for home or community-based care, as do children under the age of six who depend on technology and would otherwise need institutional care.

States can design their own approaches to home and community-based care. Expansion of care may include homemaker and chore services, respite services, assistive technology, adult day care, rehabilitation and supported employment.

insurance, reform will provide greater protection against faulty or inadequate insurance, and tax breaks on premiums. For disabled Americans who want to work but need assistance, the Health Security Act promises help. The plan not only offers personal assistance services at home, but also personal care assistance tax credits to make working a more viable option for people with disabilities. Finally, the plan increases financial protections for those on Medicaid who receive care in nursing homes.