

# OPEN LETTER TO THE PEOPLE OF NORTH DAKOTA FROM SENATOR KENT CONRAD

Dear Fellow North Dakotans:

As I traveled to every county in the state this summer and fall, people frequently asked me, "Why did you vote for health care reform?" Here's why:

We are currently spending one in every six dollars in this economy on health care. On the current trend line, we are headed toward spending one of every three dollars in this economy on health care. That would break our families, our businesses, and even the government itself. The biggest single reason for our burgeoning national debt is the growing costs in health care.

## Support for Health Reform

"When we look back on this legislation in 20 years, we will say it was a historic step forward for health care in North Dakota."

— North Dakota Hospital Association

As important health reform is, I believe we should have first focused on jobs, economic recovery, and a plan to deal with our federal debt, as well as reducing our dependence on foreign oil. That would have put our economy on a sounder footing before tackling health reform. Although my views on timing did not prevail, I am proud of my efforts to make health reform consistent with the principles North Dakotans shared with me at numerous community meetings across the state.

The bill isn't perfect. But it does improve our existing health insurance system by:

- Ending insurance industry abuses like discrimination against those with pre-existing conditions.
- Creating new competition among private plans to give consumers better choices.
- Making insurance more affordable by giving tax breaks to individuals and small businesses.
- Expanding Medicare benefits for seniors and extending the life of Medicare.
- Slowing the skyrocketing increases in health care premiums.
- And dramatically reducing our federal deficit.

Over the past two years, opponents of health reform spent millions of dollars on clever ad campaigns to spread misinformation about health reform. Supporters of the bill failed to adequately explain what it actually does, and why it's important to you and your family. As a result, it's no wonder many North Dakotans are skeptical.

## CLAIM - HEALTH REFORM WILL HURT SMALL BUSINESSES

**FACT:** Contrary to what some may say, businesses are not required to offer insurance. If you employ fewer than 50 "full-time equivalent" workers, there is no penalty for failing to offer insurance. If you have fewer than 25 employees, you will be eligible for new federal tax credits covering up to 35 percent of your premium costs, beginning this year.

If you employ more than 50 people and do not offer insurance, and any one of your workers chooses to enter the exchange and receive taxpayer assistance, you will pay a fee of \$2,000 for each person you employ full-time.

## CLAIM - HEALTH REFORM WILL COVER ILLEGAL IMMIGRANTS

**FACT:** Only legal residents of the United States will have subsidized coverage under the new law. The law requires citizenship or legal residency status to be verified before any individual can access the new state-run insurance exchanges that offer private insurance plans or get a tax credit.

## CLAIM - HEALTH REFORM WILL CUT MEDICARE BENEFITS

**FACT:** There is no reduction in traditional Medicare benefits. Medicare will be strengthened under the new law and most seniors will see benefits expanded. The health reform law achieves \$500 billion in Medicare savings largely by limiting growth in future Medicare spending over the next 10 years. Why would hospitals, doctors and clinics accept smaller increases in Medicare payments? Because more people will be covered by health insurance, health care providers will have more paying customers. Additional savings are achieved by cracking down on waste, fraud and abuse, and reducing overpayments to private Medicare Advantage insurance plans.

## WHAT WOULD REPEAL MEAN FOR YOU?

Opponents of health reform have vowed to repeal health care reform. That makes for good campaign rhetoric, but what would that mean for you? **If health reform is repealed:**

- The federal deficit would increase by approximately \$230 billion over the next ten years and \$1.3 trillion over the following ten years.
- Insurance industry abuses would return, making it harder to get coverage and easier to lose it if you get sick.
  - Insurers could impose restrictive lifetime and annual limits.
  - Children with pre-existing conditions could be denied coverage.
  - Young adults under age 26 could be dropped from their parents' insurance.
- More than 30,000 North Dakotans would lose more than \$800 million in tax cuts to make health insurance more affordable.
- North Dakota hospitals and doctors would lose more than \$650 million in additional Medicare reimbursement – forcing them to cut back on services they provide to all North Dakotans.
- Seniors would lose new Medicare benefits AND pay higher copayments and premiums.
  - The Medicare prescription drug "donut hole" would return.

## CLAIM - THE HEALTH CARE LAW WILL FUND ABORTIONS

**FACT:** The new law does not expand access to abortion — period. It is fully consistent with existing law that prevents federal funding for abortion except in cases of rape, incest, or where the life of the mother is in danger. This conclusion is bolstered by the fact that several powerful Catholic constituencies, including the Catholic Health Association and NETWORK, a national organization representing 59,000 Catholic Sisters, support the health reform law.

"...[T]he Senate bill will not provide taxpayer funding for elective abortions. It will uphold longstanding conscience protections ... in support of pregnant women. This is the REAL pro-life stance, and we as Catholics are all for it."

— NETWORK, A National Catholic Social Justice Lobby

## CLAIM - THE INDIVIDUAL MANDATE ENCROACHES ON PERSONAL LIBERTY

**FACT:** Almost everyone gets sick or hurt at some point. When they do they are treated in our hospitals regardless of their ability to pay. And when someone without health insurance is treated, the rest of us often wind up paying the bill for their care.

The "individual mandate" requires most Americans to obtain health insurance or face financial penalties. They can get coverage through their employer, or, if their employer doesn't offer health insurance, they can buy it through the open market. Federal tax credits are available to those that cannot afford coverage.

The new responsibility is key to controlling health care costs because it requires uninsured persons — most of whom are younger and healthier than average — to join the national risk pool. The addition of these healthier individuals spreads risk and will help to lower the costs of health insurance premiums nationally.

## THE NEED FOR HEALTH REFORM

Some North Dakotans ask me why health reform is necessary. After all, American medicine leads the world in cutting-edge treatments. Most Americans have good insurance through their employers. All that is true. The health care reform law does nothing to undermine the parts of our system that work. If you have good coverage today, very little will change. Instead, the health reform law builds on today's private, employer-provided health system while addressing three major problems: skyrocketing costs that are making health insurance increasingly unaffordable; insurance industry abuses that prevent those who need coverage the most from getting it; and lack of coverage for 50 million Americans.

Finally, health care reform puts our nation on a more sustainable fiscal path. The non-partisan Congressional Budget Office estimated that the health care reform law will reduce the deficit by approximately \$230 billion over the first ten years and by about \$1.3 trillion over the following decade.

Make no mistake, I believe this legislation takes us in the right direction. We are expanding coverage to millions without health care. We are reforming the insurance market to protect the consumer. We are improving the way our doctors are compensated to emphasize successful outcomes. We are extending the life of Medicare. And we are putting our nation back on a more sound long-term fiscal course.

*Kent Conrad*

Sincerely,  
KENT CONRAD  
United States Senator

Tribune

## Health bill benefits N.D.

### SEPARATING FACT FROM FICTION

## CLAIM - HEALTH REFORM MEANS A "GOVERNMENT TAKEOVER" OF HEALTH CARE

**FACT:** The truth is that the law was designed to improve private insurance. Health reform builds on our current system of employer-based health care that is provided by private insurance. While the government does help those who cannot afford insurance buy it, this is NOT a government insurance program. And nothing in this new law will force you to change your insurance or your doctor or interfere with the doctor-patient relationship.