



American Medical Women's Association

The Vision and Voice of Women in Medicine since 1915

American Medical Women's Association
Position Paper on Principals of Health Care Reform

Since 1915, the American Medical Women's Association (AMWA), an organization of women physicians and medical students, has supported improved delivery of health care. During the current debate on how to remedy the many flaws in the American health care system, it is important to emphasize that the lack of universal coverage is the major impediment to the improved health of many of the citizens of our nation.

Universal Coverage

Availability of health care should not be linked to a person's employment, place of residence, age or marital status. Necessary health care should be delivered on a medical need basis, not on the basis of geography or financial ability.

In May, 1994, the Congressional Budget Office found that a partial-coverage plan would protect those with very high or very low incomes. The working class would still be at risk of losing health insurance coverage.

Americans need to know that the coverage they gain under health reform will never be taken away.

Defined Benefits

Package Well-defined benefits are necessary to assess the impact of a plan on the populations it is designed to serve. Without defined benefits, the actual cost of a plan would be impossible to determine.

Comprehensive Care

Available care should be appropriate to the needs of society. It should emphasize basic primary care, prevention, early detection, chronic care, long-term care, mental health and chemical dependency treatment, and reproductive health services, as well as acute and specialized care.

Financing

Mandated employer benefits offer a practical and effective financing mechanism.

Administrative Simplification

Simplification means that the most direct connection, with the smallest number of bureaucratic personnel, should lie between payment for the health plan and payment for services. A streamlined bureaucratic oversight process and the standardization of forms would free providers to do what they do best: care for patients.

Choice of Provider

To the greatest extent possible, the patient should be able to choose her/his physician. This principle acknowledges that continuity of care is of medical value and contributes to quality.

Physician Autonomy

Quality of patient care must be physicians' first priority, however, physicians have to take responsibility to make cost-conscious decisions.

The American Medical Women's Association recognizes both the pressing need for health care reform, and the limited source of funding from which to draw on as Congress begins to legislate systemwide changes to the health delivery system. As the debate over how to finance health reform intensifies, it is important to remember that a majority of Americans favor an increase in the federal excise on tobacco.

Tobacco Tax: revenue for health reform?

Tobacco is the single most appropriate source of revenue for health care reform. Tobacco is harmful to all users at all doses--there is no safe level of tobacco use. It is the only product which, when used exactly as intended, causes addiction, disease and early death.

The Congressional Joint Committee on Taxation and the Congressional Budget Office agree that the Clinton Administration's proposed 75-cent tax increase would generate a total of \$94 billion in new revenue in the first nine years. The Joint Committee on Taxation predicts that a \$1.76 increase will generate a total of \$59 billion in new revenue in the first three years.

Raising the tobacco tax will generate revenue for health reform and discourage young people from beginning the habit.

Most Americans support a tobacco tax increase. This is a tax vote Congress can be proud to take.

Senate Labor and Human Resources Committee: Finished work on S 1757, a version of President Clinton's plan on June 10. This plan includes an 80/20 employer mandate (although businesses with 10 or fewer employees are exempt) and universal coverage. AMWA supports the Committee's actions to retain abortion coverage as part of the covered benefits package. A problematic amendment by Senator Bingaman (D-NM) allows a national board to change the benefits package if there are funding problems.

Senate Finance Committee: Provides for universal coverage through employer contributions. Financing relies more heavily on taxes than President's plan: cigarette tax raised by additional \$1; handgun ammunition taxed 50%; firms of over 500 workers pay 1% payroll tax. Employers of more than 20 workers pay 80% of insurance costs. Firms of fewer than 20 pay payroll tax. This plan is considered to be less regulatory than the President's.

House Education and Labor: Subcommittee on Labor-Management relations voted out a single payer plan (HR 3960) on June 9, which charges the government to collect premiums and distribute benefits. The full Committee is scheduled to begin markup on a bill similar to the President's on June 17, and to continue markup through the next two to three weeks.

House Ways and Means: Chairman Sam Gibbons (D-FL) introduced a version of the President's plan which includes universal coverage, cost containment, and no new broad-based taxes. The draft extends Medicare coverage to uninsured. According to the Congressional Budget Office, the bill would create a \$23 billion budget shortfall over five years.

House Energy and Commerce: The Committee needs one more vote in order to pass legislation containing an employer mandate. Neither Representative Cooper (D-TN) nor Representative Slattery (D-KS) have indicated that they are willing to change their positions and support a mandate. Without at least one of these two votes, Chairman Dingell can either do nothing or pass a bill of incremental reforms.