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U.S. House of Representatives
Committee on Commerce
 Room 2125, Rayburn House Office Building
 Washington, DC 20515-6115

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ADD SEE DELEGATION FOR HELP OF STAFF

***Patients' Bill of Rights Won't Jeopardize Coverage
 --Recent Census Data Show Opponents' Claims Aren't True--***

Dear Colleague:

Over the past three years, I have been working to get comprehensive patient protection legislation signed into law. During this time, opponents of the Patients' Bill of Rights have been trying every tactic under the sun to block such legislation and dissuade Members from supporting badly needed reform. The most recent attack points out the recent increases in private insurance premiums and implies that patient protection legislation on top of these increases will add millions to the ranks of the uninsured.

That argument is specious.

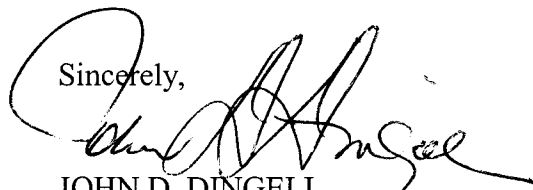
First, premium increases do not equal a loss in coverage. A September 2000 Kaiser Family Foundation annual survey of health insurance coverage found, "*despite large increases in premiums, the percentage of firms offering health insurance coverage has increased.*" In fact, new data released this September by the Census Bureau show that the number of Americans without health insurance dropped significantly last year – the first such decline in twelve years. The Census report finds that, "*Employment-based insurance, the leading source of health insurance coverage, drove the increase in coverage rates.*" The driving force behind these premium increases is the seemingly endless escalation of prescription drug costs.

Second, premium increases do not mean that employees are forced to pay more out of pocket. The same Kaiser survey found that despite the premium increases, "*employees did not pay more for health insurance in 2000 than in 1999...In fact, workers with single coverage now pay less for health insurance than they did in 1996, both in dollars and as a percentage of the total premium.*"

Third, there is no correlation between states that have passed patient protections and decreases in coverage. For example, New York has passed a number of patient protections which apply to fully insured employer plans, yet was one of the 15 states with an increase in the proportion of individuals with health insurance. Missouri, which passed patient protection legislation that includes the right to sue HMOs that cause injury or death, was also on the list of 15 states where health insurance coverage increased.

Do not be swayed by the specious arguments of an obdurate industry that is more interested in protecting profits than providing quality medical care.

Sincerely,



JOHN D. DINGELL
 RANKING MEMBER