



# AN AMERICAN SOLUTION QUALITY AFFORDABLE HEALTH CARE

## HEALTH REFORM AT A GLANCE: PUBLIC HEALTH INSURANCE OPTION

The goal of health care reform is to provide quality, affordable health care for every American while preserving what works in today's system, expanding choice, and containing costs. The bill provides a public health insurance option that would compete with private insurers within the Health Insurance Exchange.

### PUBLIC HEALTH INSURANCE OPTION:

#### OVERVIEW

- Available in the new Health Insurance Exchange (Exchange) along with all of the private health insurance plans.

#### LEVEL PLAYING FIELD

- Require public option to meet the same benefit requirements and comply with the same insurance market reforms as private plans.
- Establish the public option's premiums for the local market areas that are designated by the Exchange, just as other insurers do.
- Individuals with affordability credits can choose among the private carriers and the public option.

#### SELF-SUFFICIENCY

- Public option must be financially self-sustaining, as private plans are.
- Public option will need to build start-up costs and contingency funds into its rates and adjust premiums annually in order to assure its financial viability, as private plans do.

#### INNOVATION AND COST CONTAINMENT

- Promote primary care, encourage coordinated care and shared accountability, and improve quality.
- Institute new payment structures and incentives to promote these critical reforms.

#### PROVIDER PAYMENTS AND PARTICIPATION

- Initially utilizes rates similar to those used in Medicare with greater flexibility to vary payments.
- Allow immediate integration of delivery reforms also contained in the bill.
- Provider participation is voluntary – Medicare providers are presumed to be participating unless they opt out.