

Letter Sent to Congress

December 10, 20 01

The Honorable Charles Grassley
135 Hart Senate Office Building
Washington, DC 20510

Dear Senator Grassley:

On behalf of the 115,000 physicians and medical students of the American College of Physicians-American Society of Internal Medicine (ACP-ASIM), I am writing to urge House and Senate support for the inclusion of health insurance for unemployed workers in the Economic Recovery and Assistance for American Workers Act of 2001. With every hope that negotiations will continue, ACP-ASIM would like to emphasize its strong support for taking meaningful action to reduce the number of uninsured Americans.

The College believes that a 75 percent subsidy to purchase additional coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) for up to 12 months would be a very positive step forward. ACP-ASIM believes that it would be even more effective to provide 100 percent premium support for individuals at or below poverty level, phasing out subsidies completely at 250 percent of poverty. Our recommendation is based on the fact that participation in COBRA depends on its affordability. Increasing the premium subsidy to 100 percent for low-income individuals will help tens of thousands more people who are unemployed and unable to afford, even with a 75 percent contribution.

ACP-ASIM also supports expanding coverage under Medicaid and SCHIP to reach millions of uninsured adults. Therefore, we are pleased proposals are under consideration to: (1) expand the Medicaid program and give states the option to cover displaced workers and their families through Medicaid; and (2) give states the option to use Medicaid funds at the SCHIP match rate to subsidize the remainder of the COBRA premium for low-income individuals.

To further assist in the purchase of health insurance by those without coverage, we urge the negotiating team to consider provisions that allow for refundable tax credits so that individuals with no tax liability can receive credits. It also should include an advance payment option that allows the credit to be paid directly to the insurance company or employer when payments are due, not at the end of the year. Persons with incomes between 100 and 150 percent of poverty should be eligible for the credit.

Uninsured Americans generally experience higher in-hospital mortality and suffer poorer medical outcomes. Therefore, we thank you for spearheading efforts to ease the economic hardship of many Americans whose health is in jeopardy due to their lack of health insurance coverage.

Sincerely,

William J. Hall, MD, FACP
President