AMERICAN HEALTH BENEFITS PROGRAM ACT OF 2008

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-Short Summary-

Universal Coverage
Shared Responsibility
Access to Choice and Affordability

The American Health Benefits Program (AHBP) is a proposed system of universal healthcare to provide every American with access to the same quality, affordable coverage as members of Congress. It is modeled after the Federal Employee Health Benefits Program (FEHBP), which currently provides health insurance at very low administrative costs to more than 8 million Federal employees, retirees and their dependents. AHBP will leverage the power of the Federal government to negotiate with private insurance carriers and offer enrollees a range of health insurance options, from very basic packages to more inclusive plans, including national fee-for-service plans, local HMOs, and high deductible health plans with tax advantage accounts. No one will be denied coverage or discriminated against based on their health status or pre-existing condition. Insurance plans will compete for enrollees based on quality, efficiency, service and price.

Participation

- All citizens, nationals and lawfully-residing immigrants are eligible to participate in an AHBP qualified health plan.

- All individuals who are not enrolled in the existing Federal programs of Medicare, Medicaid, Tricare/CHAMPUS, Indian Health Services or Veterans Health programs are required to participate in a health plan that meets the standard set by AHBP.

Financing/Administration

- A new agency will be established to perform similar duties for which OPM is currently responsible with regard to FEHBP.
- The government will pay enrollee premiums directly to the health care plan of the enrollee's choice. The enrollee is responsible for up to 28% of the premium (subsidies will be available for families where this would be a hardship), which he/she may opt to have withheld from his/her pay.
- Employers must play a role in the nation's health care system. AHBP will give them a choice as to how to participate. Employers who currently negotiate and offer health insurance as a benefit to their employees may continue to do so. Alternatively, they may choose to participate in the system by contributing to the financing of AHBP, thus minimizing their role to a fixed, predictable, payroll tax based on employer size and average annual employee earnings. This funding stream will finance the government's contribution to enrollee premiums and relieve employers of the burden of procuring, paying for and negotiating health care packages for their employees.
- AHBP program would include the development of premium, as well as cost-sharing subsidies for those who would be kept from going to the doctor because they cannot afford the co-payment – covering 100 percent of the co-payments for those individuals under 125 percent of the poverty line (150 percent for families of two or more individuals); and on a sliding scale basis for individuals up to 250 percent of the poverty line (300 percent for families). In the case of children and pregnant women -- groups that we cannot afford to discourage from seeking preventative care -- co-pays would be covered 100 percent up to 250 percent of the poverty line.

Benefit

- As in FEHBP, Americans would have access to the same standard of health coverage offered to Members of Congress through private insurance carriers, including a selection of fee-for-service plans, local HMOs, and high deductible health plans with tax advantage accounts.