

I strongly disagree with the Democrats healthcare legislation. Everyone agrees that our healthcare system needs to be reformed. Health care in America is too expensive and too many Idaho families are worried about losing or have already lost their health coverage. However, I have major concerns with HR 3590, which will raise Americans' taxes, create a massive new entitlement program and do little to address the problems in our current health system. The frightening reality for the American taxpayer and anyone who will need health care in the future is that the Democrats are hiding the true costs of these bills and doing so in ways that will be disastrous to our nation's long-term fiscal health.

This bill raises Americans' taxes by including a Medicare surtax on individuals making over a certain income. This is really a surtax on small businesses, which make up the majority of high-income filers. Moreover, like the Alternative Minimum Tax, this tax will continue to entrap more and more middle class Americans every year as their incomes go up because health premiums tend to rise faster than the standard rate of inflation. It also contains a number of other tax increases, including a tax on health insurance plans costing over \$27,500 for families, penalties for individuals without health insurance and employers who cannot afford to provide insurance, and, for the first time, a Medicare surtax on investment income. For those people who already have health insurance through their employer, this bill will put that coverage at risk. It implements expensive new mandates on all employer-provided health insurance, which businesses must follow or face new taxes and penalties. For many employers, it will make more business sense to eliminate jobs or drop employees' health insurance and pay the penalties than comply with Uncle Sam's new rules.

This bill also includes a dramatic expansion of Medicaid, from 100% to 133% of federal poverty level. Starting in 2016, it will cost states, including Idaho, billions of dollars to comply with another unfunded federal mandate--something state budgets simply cannot afford. It contains devastating cuts in Medicare payments that will put seniors' access to care at grave risk in order to offset the cost of this new entitlement program. It includes cuts to hospitals, nursing homes and hospice care, implements a new tax on medical equipment, and includes devastating cuts to Medicare reimbursement rates for physicians. If these cuts take effect, the Medicare actuary estimates that up to 20% of physicians will be forced to stop seeing Medicare patients.

I strongly believe that there are a number of measures that all of us, regardless of party affiliation, support that will bring down costs and improve access to care for all Americans. These are not new ideas—they are, however, ideas that are critical to implementing real, affordable and effective health reform.

First, we must pass effective medical malpractice reform. By passing meaningful liability reform, the legal system will continue to protect patients against medical negligence, but it would limit junk lawsuits by placing caps on noneconomic damages and limiting attorney fees and save billions of dollars in wasteful spending by stemming the practice of defensive medicine.

We should immediately end the current practice of banning the purchase of insurance across state lines. Under the current system, the insurance market operates like 50 individual fiefdoms with each state in charge of insurance regulation and individuals limited to buying health insurance from local insurance providers. Allowing purchasing of insurance across state lines would increase competition in the insurance market, as individuals would have more affordable health insurance options and end the monopolies that exist in many states.

Bipartisan health reform should include provisions to allow small businesses to band together through associations to buy health care coverage, giving them the same leverage and buying power that large corporations and even labor unions already enjoy. Further, everyone recognizes that we need to do more as a country to focus on prevention and early intervention. And for those people with pre-existing conditions, I support measures to prohibit insurers from denying coverage.

These are just a few examples of reforms that all Americans--Democrat, Republican and Independent--could support that would bring down healthcare costs for taxpayers and consumers and improve access to care. These are not new ideas—many of them already have support on both sides of the aisle. I am disappointed that President Obama and Speaker Pelosi have chosen to ignore this message. Americans deserve REAL reform—not a partisan, gimmicky bill that will cost trillions of dollars and do little to improve care.

The following chart shows the timeline for implementation of the healthcare reform bill, as amended by HR 4872, the House Reconciliation Bill.