



**INSURANCE SERVICES, INC.**  
PROTECTING YOUR HEALTH & WEALTH

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## Pinellas Protector eNewsletter - Final Edition



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**INSURANCE SERVICES, INC.**  
PROTECTING YOUR HEALTH & WEALTH

**Happy 2017 Dear Clients and Friends**

Welcome to the Final Edition of the Pinellas Protector! This e-Newsletter has been published since October 2010; but as it is said, all things must come to an end. I hope you have found it to be a pleasant experience!

The AH Insurance Services Blog will continue. You can sign up to receive email updates with new posts by visiting the blog's home page:

<http://ahinsurance.blogspot.com/>

This final edition outlines what a potential program to replace the Affordable Care Act (ACA) might look like under the penmanship of Georgia Congressman Tom Price, who recently was chosen by President-elect Donald Trump to lead the Department of Health and Human Services. If you are interested in my opinion as to whether a replacement program is needed, please read on!

There will be no [Tips For Your Good Health](#) in this final edition, as I trust everyone is healthy as can be after reading all of the prior issues.

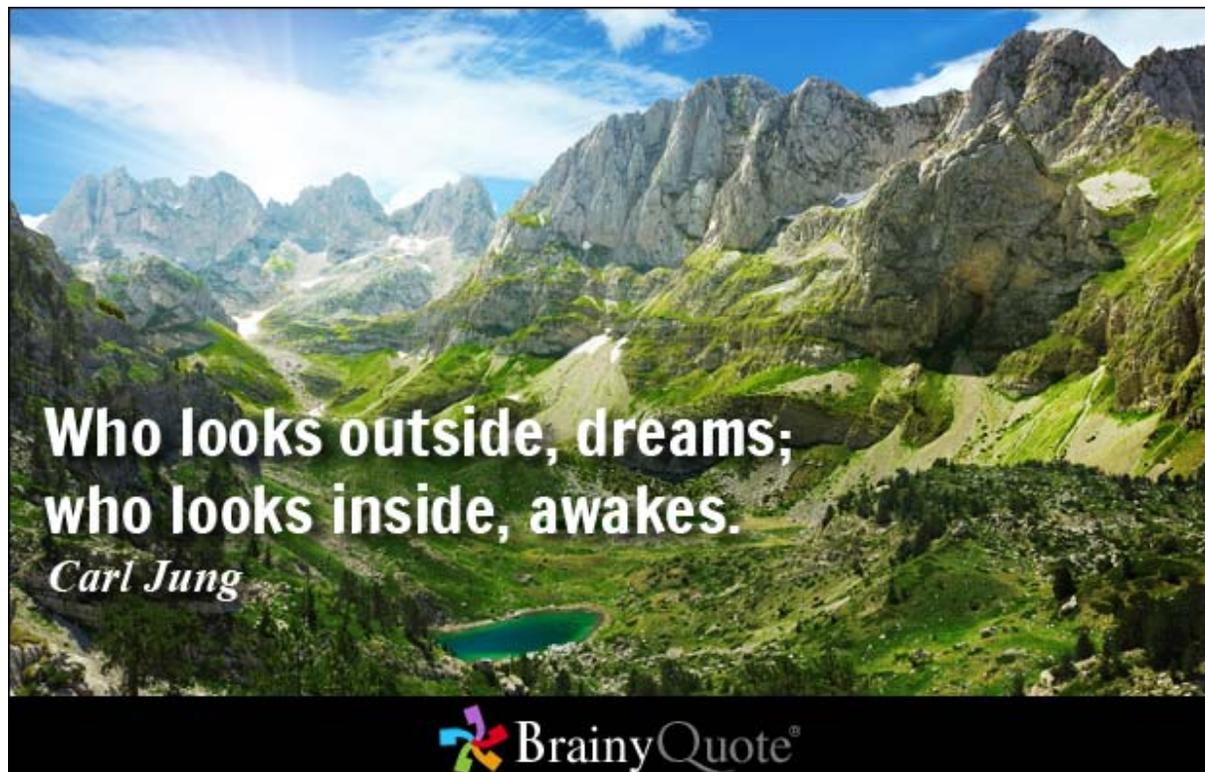
**Here's to a Happy, Peaceful and Prosperous New Year!**

Cheers

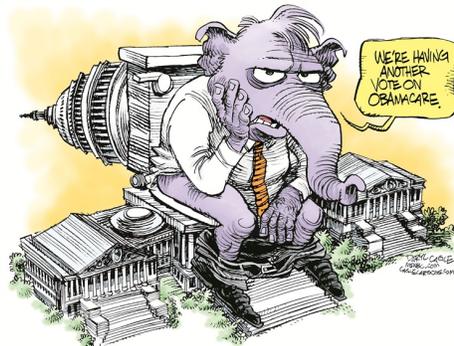
Andrew Herman, President  
AH Insurance Services, Inc.

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## Quarterly Quotation



## The Affordable Care Act (ACA) - What Would a Replacement Program Look Like - And Is One Needed?



Cagle.com

*Re-Printed from AH Insurance Services 12/31/2016 Blog Post:*

Georgia Congressman Tom Price, a fierce critic of the ACA and a leading advocate of repealing and replacing the controversial 2010 health care law, recently was chosen by President-elect Donald Trump to lead the Department of Health and Human Services (HHS). On track to be behind the wheel at HHS, Price may be the one who authors final rules implementing whatever legislation ultimately replaces the ACA (known informally as "ObamaCare").

Congressman Price, a former orthopedic surgeon, personally introduced legislation to repeal and replace ObamaCare in the current Congress and previous sessions. His 2015 proposal is called the Empowering Patients First Act and served as the basis for a subsequent health care proposal unveiled in June of this year by House Speaker Paul Ryan.

A key feature of ObamaCare is that it spreads out the costs of health insurance across generations, with subsidization of older sicker people who use more health care by healthier young people. Prior to the ACA's implementation, most states permitted an age band rating with a 5:1 ratio; meaning that insurers could charge insureds at the highest issue ages up to five times what the youngest insureds pay in premium. The ACA compressed the permitted age band rating to a 3:1 ratio, forcing companies to subsidize older people with higher premium levels for younger people. Price's proposal would eliminate that, which might be viewed favorably even by ObamaCare's proponents who now recognize they are fighting an uphill battle trying to convince young adults to buy coverage at an exorbitant premium cost.

Price has spoken out against the ACA's approach to insert the government in the middle of the doctor-patient relationship. In June of this year Price stated, "They believe the government ought to be in control of health care" and continued with "we believe that patients and doctors should be in control of health care. People have coverage, but they don't have care." More recently, he declared "ObamaCare is failing" in a November 1st op-ed on the Townhall website.

Some of the key points from Prices' health care proposal are as follows:

- Fixed tax credits for people to use for private insurance on the private market, with credits starting at \$900 a year below age 18 and rising with age. People on Medicaid, Medicare, Tricare or the Veterans Affairs (VA) program could opt for tax credits to buy private insurance.
- Expansion of health savings accounts, which allow people to save money for health care costs on a pre-tax basis. People covered by existing government programs including Medicare and the VA could contribute to their health savings accounts to pay for premiums and copayments.
- No denying coverage to people with pre-existing medical conditions provided they had maintained continuous insurance for 18 months prior to selecting a new policy. Otherwise, for people who had not maintained such continuous insurance, coverage of a pre-existing condition could be excluded for up to 18 months after enrolling in a new health plan.
- Companies can take a tax deduction of up to \$20,000 for a family health plan and \$8,000 for an individual. The limit is intended to discourage overly generous employer health insurance plans.
- States would receive federal funds to create "high-risk pools", which are government-run health plans for people with pre-existing medical conditions who cannot find affordable health insurance on the private market.

Effective implementation of Price's plan seemingly would require an initial open enrollment period that achieves broad success in covering Americans not already insured under employer-sponsored programs or government health care plans such as Medicare and Tricare. Following the initial program enrollment, Price's plan would make it difficult for people to try to game the new system by purchasing insurance only upon discovery of an illness.

Price concluded his op-ed with the following:

"We solve the insurance challenges of portability and pre-existing conditions by applying the same coverage rules that already exist in the employer-sponsored market - real, sustainable protections that mean no one can be priced out of the health insurance market if they have a bad diagnosis or injury. And, for those on a government health care program, we offer reforms that will empower states with the flexibility to best serve their Medicaid populations while offering Medicare beneficiaries more choices that will help save, strengthen, and secure this vital program in the years to come."

Let us hope that Price's words do not prove to ring hollow, like President Obama's statement from March 2010 in his Weekly Address: Health Reform Will Benefit American Families and Businesses This Year: "What won't change when this bill is signed this: if you like the insurance plan you have now, you can keep it. If you like your doctor, you can keep your doctor. Because nothing should get in the way of the relationship between a family and their doctor."

For the record, as a licensed sales agent I have assisted dozens of Americans in obtaining insurance through the ACA's Health Insurance Marketplace. I have been authorized to conduct Marketplace business since the fall of 2013 when agents initially were certified. Since that time, my existing individual policy was canceled, and the premium for the lowest cost (non-subsidized) ACA compliant plan for sale in my area is more than double what I had paid prior to 2014. Further, my 2017 plan (I chose the

lowest cost) does not include coverage for the orthopedic surgeon who successfully repaired a torn labrum for me more than a decade ago; nor does my plan include coverage for any physician I have visited in nearly 20 years living in Florida. To add insult to injury, today I often work harder for an individual or family to assist with a health insurance plan enrollment; yet my compensation is less than a third of what I received for similar work performed prior to ObamaCare. I do not believe that insurance company executives are making less money now, and I definitely do not recall hearing President Obama admit that his proclamation noted above turned out to be totally false. It is disappointing to me that accountability only applies to regular people, and not to those at the highest positions in our country.

After having conducted a thorough examination of the issues, I would say that a program to replace ObamaCare indeed is needed.

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