



90th Assembly District
REP. KARL VAN ROY

Legislative Update

April 7, 2006

Health Care: Making Our System Affordable and Accessible

Of all the issues facing Wisconsin, and other states across the country, health care is one of the most difficult to address. It is also one of the most important. As the price of health insurance and the cost of medical care itself sky-rocket, many families struggle to be able to afford coverage, and families that already have coverage know that costs are rising far faster than salaries. Everybody feels the effects of the problems with our current system.

There are no easy solutions in healthcare, but we must keep working to make sure all Americans who are willing to take an interest in and responsibility for their own health care have the opportunity to purchase affordable coverage. That means funding our public health programs, increasing access to insurance, and continuing to reform health and medical policy in our state. Here is a sample of some health care measures I supported this session.

Funding Our Public Health Programs

Funding state programs is key to helping seniors and low-income families receive health care. This session, the legislature made sure Wisconsin's public health programs continued to get the resources they need.

- **Medical Assistance:** I supported full funding for Medical Assistance, the state's health and long-term care program that covers more than 700,000 low-income seniors and families. By funding this commitment in the budget, Wisconsin is drawing federal dollars as well as preventing cost-shifts onto the private sector that would drive up health care costs for everybody.
- **SeniorCare:** The budget also included full funding for SeniorCare, which helps low-income Wisconsin seniors afford prescription drugs. The program assists more than 90,000 seniors throughout the state.
- **Nursing Homes:** This session, nursing homes received a much needed boost. By providing an additional \$23.8 million in funding, we gave nursing homes a 2.8 percent reimbursement rate increase to help them keep operating and caring for our loved ones.

Increasing Access to Affordable Insurance

While public programs help low-income families, what about middle class families? Health care often squeezes working families who are priced out of affordable coverage but who are not eligible for assistance. That is why it is important to find new ways to help working Wisconsinites afford health insurance.

- **Co-op Care:** Act 231, the Co-op Care Trailer Law, allows small businesses, farmers, and others to purchase group health insurance. I co-sponsored this measure because it allows groups that have traditionally had a hard time finding affordable health insurance to pool together and obtain lower rates. The law presents an innovative way of expanding the number of people who have access to affordable health insurance.
- **Health Savings Accounts:** Assembly Bill 4 aligns Wisconsin law with federal

law with regard to Health Savings Accounts (HSAs). Individuals who want to open an HSA acquire a less expensive catastrophic care insurance policy and then donate money to the account to cover other health costs. Individuals or their families may donate up to \$1,400 or \$3,375 respectively each year to the HSA, which is tax exempt. The benefits of HSAs are numerous. They promote consumer responsibility and diversify the insurance pool by requiring catastrophic coverage. They also allow consumers greater choice in using their health care dollars.

The Governor vetoed a measure in the budget to align Wisconsin law with federal law out of the budget. AB 4, a stand-alone bill with the same objective, has passed the Assembly and now awaits scheduling in the Senate.

- **Making Health Insurance 100 Percent Tax Deductible:** Act 25 increases the tax deduction on health insurance premiums to 100% for individuals whose employer does not contribute to an insurance plan, and it phases in a 100% deduction over three years for individuals who are unemployed, making insurance more affordable and accessible.
- **Medical Malpractice Reform:** Following the Supreme Court's shocking decision to strike down non-economic damages caps in medical malpractice cases, Wisconsin became a target for frivolous lawsuits that drive up the cost of health care for everybody. After eliminating their caps, other states saw drastic consequences. Insurance premiums in Oregon, for example, soared by 332 percent, and one-third of the state's physicians quit delivering babies. That is why the legislature moved quickly to cap non-economic damages again and save Wisconsin from a similar fate. Although the Governor vetoed the first legislation to reinstate the cap, a second measure which caps non-economic damages at \$750,000 was signed into law last week.

Improving Our Health Care System

Along with funding and improving access to our health care system, we must also continue to make sure our health policy itself is evolving. Providing education and opportunities to consumers is key to helping people make good health decisions. Here are a few examples of legislation aimed at improving public health and the lives of patients.

- **Shaken Baby Syndrome Education:** Thanks to a new law, parents and guardians will now be educated on the dangers of shaken baby syndrome. The law requires educators, daycare providers, and hospitals to provide information on the risk of shaken baby syndrome and to instruct involved parties on how to avoid situations that might place newborns at risk.
- **Cancer Clinical Trials:** Another bill recently signed into law requires health plans to include clinical trial treatments in their coverage if the services provided under the trial would have been covered under routine medical treatment. Clinical trials often allow patients to benefit from new treatments and therapies, and this law will make sure patients can access them.
- **Workplace Wellness:** It's a well documented fact that healthy people cost less. AB 954 offers small businesses with incentives to develop workplace wellness programs to encourage employees to live healthier lives while lowering the cost of health insurance. AB 954 has been voted out of the Assembly Ways and Means Committee.

To remove your name from my list, please [click here](#).
For questions or concerns on any state issues,
please contact me toll free at 1-888-534-0090
or via e-mail at Rep.Van_Roy@legis.state.wi.us