



What's next for universal healthcare in Vermont?

Healthcare Is a Human Right Campaign
Vermont Workers' Center
September 2012

The breakthrough: Act 48

In May 2011 Vermont became the first state in the country

- to pass a law for a universal, publicly financed healthcare system
- to embed human rights principles in law
- to commit to providing healthcare as a public good



Human rights principles in Act 48

Universality: Everyone must receive comprehensive, high-quality healthcare. The state must ensure that everyone gets appropriate healthcare when they need it.

Equity: Everyone must receive the care they need, with no barriers to access. The costs of financing the system must be shared equitably, which means everyone pays according to their ability.



Human rights principles in Act 48

Accountability & Transparency: Green Mountain Care must be designed transparently and be accountable to the people. The government must ensure that the healthcare system satisfies the principles in Act 48.

Participation: Key decisions in designing, implementing and evaluating Green Mountain Care must have a process for public input.

Public good: Green Mountain Care must provide healthcare as a public good, financed publicly.

Our people's movement: Healthcare Is a Human Right

We, the people, made this happen!

- organizing and mobilizing many thousands
- telling our stories of the healthcare crisis
- holding power holders accountable
- demanding our human rights



Now we have to grow our people's movement to turn the law into reality and create our new healthcare system!

Voices of the human rights crisis

People told their stories and participated in our surveys:

- **Cost barriers to care:**
 - Over half of the people we surveyed had refrained from getting care because they could not afford it.
 - 6 in 10 people had problems getting dental care.
- **Financial problems and medical bankruptcy:**
 - 1 in 4 people reported that they, or someone they knew, had been unable to obtain credit because of unpaid medical bills.
- **Dependency on employers:**
 - Over half of those polled knew someone who had stayed in a job solely because of health insurance.

Figures of the human rights crisis



- 28% of Vermont residents were *under*insured in 2009 (in addition to 7.6% uninsured). They paid \$5,000 or more out-of-pocket each year.
- 25% lived in families that had trouble paying a medical bill in the past year.
- ➡ underinsured people are more likely to avoid necessary care, and
- ➡ they are in poorer health than those with better insurance

What is universal healthcare?

- guarantees that everyone can get the care they need, when they need it
- includes everyone
- includes all medically necessary care
- ties use of care to health needs, not ability to pay
- does not require payment at the doctor's or the hospital
- is publicly funded through taxes (instead of premiums, deductibles and co-pays)
- is organized by the government as one unified system

What does it mean to treat healthcare as a public good?

- Healthcare is not a commodity sold to those who can afford it.
- It is a human right for everyone, not tied to payment.
- Like a fire department, the healthcare system belongs to all of us and is paid by us together.
- It is publicly financed and publicly administered.
- There is no role for private insurance companies.



Green Mountain Care

Act 48 says that the state must create a new universal healthcare system called Green Mountain Care:

*“to provide, as a **public good**, comprehensive, affordable, high-quality, publicly financed health care coverage **for all** Vermont residents in a seamless and **equitable** manner regardless of income, assets, health status, or availability of health coverage.”*

⇒ Principles of **universality, equity** and healthcare as a **public good**

Green Mountain Care

Act 48 says that the state must



“achieve health care reform through the coordinated efforts of an independent board, state government, and the citizens of Vermont, with input from health care professionals, businesses, and members of the public.”

⇒ Principles of **accountability**, **transparency**, and **participation**

Road to Green Mountain Care

The transition process (2011-2017) is tied to federal healthcare reform (the Affordable Care Act):

- Setting up an Exchange, an insurance marketplace for individuals and small businesses:
 - this will not significantly increase access to healthcare
 - it is not compatible with human rights principles
- Applying for permission (a waiver) from the federal government to replace the Exchange with Green Mountain Care, the universal healthcare system

Who's involved?

- **GMC Board** (appointed by Governor, chair: A. Rader Wallack)
 - The GMC Advisory Group

➡ reforms provider payments, develops GMC budget, proposes GMC "benefits"

- **Administration** (Governor Shumlin)
 - Director of Health Care Reform (Robin Lunge)
 - Dept. of Vermont Health Access (Mark Larson)

➡ proposes GMC financing plans, applies for waivers

- **Legislature**

➡ adopts GMC "benefits," financing and budget

- **The People**

➡ all decisions require a process for public input

Timeline

2012

- GMC Board began reforming how providers get paid
- Legislature passed plan for the Exchange marketplace

Fall 2012

- GMC Board recommends what healthcare "benefits" GMC will provide, and whether there will be user fees

Jan 2013

- Administration submits GMC financing plans to legislature

2013

- Legislature debates GMC financing plans

2014

- Exchange marketplace begins coverage

2015

- Administration seeks Exchange waiver

2016

- Federal government grants waiver
- Exchange ends and becomes part of GMC

2017

- GMC begins providing universal healthcare

Upcoming decisions about GMC

What healthcare services will GMC provide?

- Will it limit people to certain "benefits"?
- Will it include dental, vision and hearing care?
- Will it require user fees?

GMC Board will make proposals this fall.

Which financing sources will GMC use?

- Income or payroll tax, or other?
- How much money will come from which sources?

Administration will submit plans in Jan. 2013



Upcoming decisions about GMC

How will all immigrants living in Vermont be included?

Study from the GMC Board is expected in January 2013

Will workers who become injured or ill at work be included in the universal system?

Proposals from the Administration were postponed and are now expected for the 2013 legislative session

Who will administer the new system?

No date has been set for this decision. As a public good, healthcare has to be administered publicly, not by a private contractor, but Act 48 does not require that.

The Healthcare Is a Human Right Campaign: our position

Universality:

- **Everyone must get the care they need:** we must move from an insurance coverage model with specified "benefits" to a care model with access to all medically necessary care.
- **"Universal" means "everyone"**
 - All immigrants living in Vt. must be included.
 - Injured and ill workers must be included and receive the care they need, when they need it.

Equity:

- Green Mountain Care must be **financed equitably, based on ability to pay.**

The Healthcare Is a Human Right Campaign: our demands

Upcoming decision on healthcare "benefits:"

- Move from an insurance *coverage* model with limited "benefits" to a *care* model with access to all medically necessary care.

Upcoming decision on financing Green Mountain Care:

- Finance Green Mountain Care **equitably** through taxing income and wealth of individuals and businesses.

From coverage to care

- Act 48 requires universal access to “comprehensive”, “appropriate” and “medically necessary health services”.
- Instead of “benefits packages” and “out-of-pocket” user fees that restrict access to care, Vermont should use its resources in a way that does the most good for everyone’s health.



Health insurance is not healthcare

As leftovers of the old insurance model

- we reject "out-of-pocket" user fees: many of us have insurance we can't afford to use;
- we reject "benefits packages:" many of us have insurance that doesn't cover what we need.

We demand a new model: **our universal system must put people's health needs first! GMC must ensure that we get all medically necessary care.**

- Our health needs include dental, vision, hearing and long-term care.

Financing based on ability to pay

- **Based on needs:** GMC resources must match our health needs.
- **Based on ability to pay:** what we pay into the system must match our ability to pay (e.g. income, wealth, corporate profits). It must not be tied to our use of care.
- **Effective use of funds:** We already pay much more than countries with universal healthcare, so there is no need for new money — we need a new healthcare system!

Public, tax-based financing

- **Public financing:** no more premiums, deductibles or co-pays, or any other user fees.
- **Progressive, tax-based financing:** the most equitable funding sources are taxes on income and wealth (for both individuals and businesses). We reject funding sources not based on ability to pay (user fees, premiums, sales and sin taxes).
- **Free at the point of service:** no more payments at the doctor's; we pay our share regardless of our use of care.

Making universal healthcare happen

It's up to us!

Here's what you can do to grow our people's movement:

- Be active in your local **organizing committee**



- Hold those in power accountable:
 - join campaign members in meetings with the Administration and the GMC Board
 - join the **People's Team** at the Statehouse
- Get your friends to sign our **postcard** to the legislature
- Join us at public hearings and **tell your story!**

Get in touch!

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