

Patients' Bill of Rights

ACTION NEEDED:

Congress needs to avoid resurrecting the Patients' Bill of Rights debate and instead focus on measures that will truly lower the cost of health care and protect patients without raising their health insurance costs.

BACKGROUND:

Patients' Bill of Rights legislation, which includes means for individuals to sue their health plans or the employers that provide such plans as a means of dispute resolution, has resurfaced as an issue in the 110th Congress.

NAHU is committed to protecting patients without increasing the price of their health insurance. Patients' rights legislation that exposes health plans and/or employers to liability will be extremely costly and force more employers to reduce benefits, increase employee contributions, or possibly discontinue providing health benefits altogether.

Congressional Budget Office analyses done on PBOR bills introduced in previous Congresses estimated that such legislation could increase health plan premiums by 4.1 percent annually. At the same time, the CBO also estimated that every one-percent increase in annual health plan premiums causes at least 200,000 Americans to become uninsured.

Not only would PBOR legislation be extremely costly, it is also unnecessary. The individual states are already doing a great job of protecting health insurance consumers and have enacted many more consumer-protection standards since the PBOR debate began in the 1990s. State laws requiring that insurers meet the terms of their health plan contracts through such mechanisms as binding external review, providing direct access to OB/GYNs and pediatricians, prohibition of gag clauses, and prudent layperson emergency care standards are serving the consumer needs that federal PBOR legislation once strove to address.

Under existing state laws, patients are entitled to proper and necessary care that falls within the guidelines of their health insurance contracts. Implementing additional restrictions and providing an opportunity to expand employer and health plan liability will only further contribute to rising health care costs, thereby increasing the number of uninsured.

Instead of enacting costly legislation that will do little to protect consumers and would actually reduce access to health insurance coverage, Congress should focus on measures that would decrease the cost of health care.

A true patients' bill of rights would not include liability expansion for employers and health plans. Expanding liability will not improve the quality of care, but will cause costs to go up, pricing many out of coverage.