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Committees
Education—*Ranking Member*
Armed Services, Veterans Affairs,
Public Safety
Ways and Means

REPRESENTATIVE TERESA M. FEDOR

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House Bill 440: Ohio Health Security Act

Sponsor Testimony

Chairman Brinkman, Vice Chair Henne, Ranking Member Boccieri, and my esteemed colleagues on the House Insurance Committee, thank you for giving Representative Kennedy Kent and me the opportunity to provide sponsor testimony on House Bill 440, the Ohio Health Security Act.

The Ohio Health Security Act is necessary for the health and wellbeing of Ohioans.

As healthcare and health insurance currently operate, people are penalized for their health, regardless of personal decision-making. Here are just a few stories about healthcare and the lasting impact not having health insurance can have:

A twenty-something year old man got a job with private insurance, allowing him to come off Medicaid. However, his private insurance plan does not cover his medication. His trying to better himself through work cost him his healthcare.

A man went in to see a doctor after horrific vomiting. He had been losing weight and energy for months prior to the visit. He had occasionally seen blood in the toilet and now was unable to defecate. His father had died of colon cancer. He had never had a colonoscopy because he did not have insurance or a doctor. It turned out that he had a tumor in his bowel that had grown so large as to block defecation.

A young woman died because she did not have access to preventative healthcare. After finding a knot in her breast, she visited the ER over twenty-five times. She finally received treatment because her breast was rotting and the doctor could smell it. She underwent a double mastectomy but was denied further treatment and prescriptions due to her health insurance—or rather, her lack of health insurance. The cancer metastasized to her lungs and brain as she waited for authorization for an in-home oxygen tank. During those two months, her breathing deteriorated to the point that she could not breathe and walk. She developed headaches and was ordered to receive a CT scan. But, again, she had to wait for authorization. She was finally rushed to the hospital because of excruciating pain in her head; it was then that she found out that she had two tumors in her brain. She slipped into a coma that same day and died.

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These are just a few stories, but the pattern they exhibit is clear: lacking health insurance is not political. It is not partisan. It is fatal.

The Ohio Health Security Act will prevent Ohioans from succumbing to such horrific fates.

Insurance is vital for many reasons, as I am sure the committee will hear during proponent testimony in the coming weeks. However, I would like to go over a few of the reasons I am standing here today, sponsoring House Bill 440.

Firstly, uninsured people are less likely to seek care early, causing undue harm to them and to our healthcare system.

Early, preferably preventative, care is a necessary form of health and wellbeing. Without insurance, people are more likely to wait until a disease is life-threatening to seek treatment. As in the example of the man with colon cancer, regular screening and colonoscopies could have prevented the pain and trauma associated with the development of his tumor and cancer. But he could not *afford* to seek early or preventative care.

People like this man and the woman in the earlier story whose breast cancer killed her were forced to use emergency rooms as primary care facilities. Health insurance under the Ohio Health Security Act will allow patients to receive care from primary care physicians rather than flooding into emergency rooms for what could have been routine, early treatments. Having the Ohio Health Security Act will allow our emergency rooms to once again serve as spaces for emergencies rather than as primary care locations.

Secondly, access to a doctor is not enough—meaning that even if we are satisfied with the current system of asking uninsured people to rely on emergency rooms for primary care, access to a doctor is not enough. Access to treatment must also be guaranteed.

As in the story above about the woman who died after her breast cancer began fungating, sometimes seeking care is not enough if treatment is not made available. It took her more than twenty visits to the ER to have her breast cancer treated. She had to wait for preauthorization for an oxygen unit and for a CT scan.

The first story I told was of a man who, in seeking gainful employment, lost access to Medicaid and therefore to his medicine. Access to medication is vital for the health and wellbeing of our citizens. The Ohio Health Security Act will cover mental health care—imagine if we could treat mental health rather than stigmatizing it. It will cover access to life-saving drugs. It will cover access to life-improving medications—because life is about more than just surviving.

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Thirdly, this care and treatment must be affordable, accessible, and universal. Without these, Ohioans health will continue to be at risk.

I know this bill is likely to face opposition.

However, I would like to take this chance to dispel a few misconceptions about health insurance and the Ohio Health Security Act.

There is a fear that having statewide health insurance will cause businesses to leave the state. However, an econometric study by the California Nurses Association showed that a single payer system will create jobs, mostly in retail and manufacturing¹. It reduces liability and auto insurance costs. It reduces Worker's Compensation costs. It will save Ohio and Ohioans money and build a stronger future for businesses in Ohio.

The majority of Ohioans will not see an increase in their taxes and will, in fact, save money under the Ohio Health Security Act. The plan will be funded by payroll taxes paid by employers, a gross receipts tax paid by businesses, a 6.2% tax in excess of the amount subject to the social security payroll tax, and a 5.0% tax on income over \$200,000. The Act will allow us to collect together state and federal healthcare support and the money private businesses are already spending on health insurance to provide healthcare to Ohioans. Companies that already provide insurance, in fact, are likely to see their insurance costs decrease.

Without co-payments, deductibles, and uncovered services, individuals are going to see better healthcare and better economic outcomes.

Medical, dental, mental health, and vision services will be covered under the act and payments to healthcare providers for all eligible services will be made from a single fund, the Ohio Health Care Fund. Under the plan, every Ohioan may receive full health care coverage, regardless of income or employment status, and may freely choose their own health care providers for services such as outpatient services to prescription drugs, medical supplies and medical transportation without costly co-payments or deductibles. There will also be no exclusions for pre-existing conditions.

The health care plan will be administered by the Ohio Health Care Agency, under the direction of the Ohio Health Care Board. The board will consist of two elected representatives from seven regions across the state and the director of the Ohio Health Care Agency. The board will negotiate or set prices for health care services, establish proof of residency standards, provide identification for individuals to establish eligibility for services, and seek all necessary waivers,

¹ http://nurses.3cdn.net/c6fb9a313be501086e_1vm6y1duy.pdf

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exemptions, agreements, or legislation to allow various federal and state health care payments to be made to the Ohio Health Care Agency.

Additionally, the Ohio Health Security Act will remove a lot of the red-tape currently allowing executives to gouge our healthcare system. With lower overhead, better bargaining power, and deemphasizing profit, the Ohio Health Security Act strengthens Ohio's economic and health outcomes.

Finally, here are a few closing thoughts for the committee to ponder.

Over sixty percent of American households that go bankrupt do so because of medical bills. Seventy-five percent of those families had health insurance at the start of the bankrupting illness. No one should have to mortgage their future in order to live.

Americans are working harder and dying younger, draining our bank accounts and maxing out our credit cards to cover medical care along the way. The Ohio Health Security Act will save money for Ohioans. That is money that they can invest in their new leases on life, in their futures, in their families, and in our great state.

The United States has the highest medical costs in the world as a percentage of GDP but have significantly worse health outcomes than people in other rich countries: the United States is ranked thirty-seventh for efficiency², thirty-first for life expectancy³, infant mortality is 52nd in the world tied with Serbia. If Ohio was a country, Ohio's infant mortality would be 62nd in the world tied with Lebanon. Our maternal mortality is 42nd in the world just behind Kazakhstan and if Ohio was a country we would be 52nd tied with Latvia.

Even as millions receive healthcare under the Affordable Care Act, millions more remain uncovered. The tax cut bill that canceled the ACA mandate will add 9 million more to our uninsured. At that point, we will have a population within the US about the size of Canada that will be uninsured.

The Ohio Health Security Act guarantees health insurance, including dental, vision, medical, and mental health care to all Ohioans. The Ohio Health Security Act provides security, freedom, choice, stability, and certainty. No more guessing games, no more living one slip and fall away from bankruptcy.

A healthier, happier Ohio is a better Ohio.

² <http://www.who.int/healthinfo/paper30.pdf>

³ http://gamapserver.who.int/gho/interactive_charts/mbd/life_expectancy/atlas.html

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Thank you. We are happy to now take questions from the committee.