

Senate Banking and Insurance Committee



SENATOR DON WHITE

Chairman

281 Main Capitol Building • Harrisburg, PA 17120-3041
717-787-8724 • Fax 717-772-1589
www.senatordonwhite.com

FOR IMMEDIATE RELEASE

ADULTBASIC COSTS: GOVERNMENT CAN'T MANAGE HEALTH CARE

SEN. WHITE CAUTIONS AGAINST RELIANCE ON FEDERAL SUPPORT

Senator Don White, Chairman of the Senate Banking and Insurance Committee, took issue with a statement released by state Insurance Commissioner Joel Ario arguing that “federal health reform is the only viable path to providing affordable insurance options for all Pennsylvanians.”

Commissioner Ario made his statement in a release that highlighted the increased premium and copayment costs to be borne by adultBasic participants due to exploding increases in program costs.

Senator White contended that Pennsylvania’s experience, particularly in its inability to control costs associated with the existing adultBasic program, demonstrates that government “is not able to appropriately administer health care programs.”

Pennsylvania’s adultBasic program provides health care coverage for low-income individuals not covered by CHIP, Medicaid or Medicare. Commissioner Ario indicated that skyrocketing program costs will result in limitations on some services and increased fees and costs for those enrolled in the program as of March 1.

“I find it almost incredible the Insurance Department would be looking to the federal government to solve the problems we are facing with adultBasic,” Senator White said. “It is amazing to reason that if Pennsylvania can’t control the costs of a relatively small subsidized program, the federal government would somehow be able to do a better job with a much more grandiose plan. Time and time again, we have seen that just isn’t the case.

“This is a prime example of why government should not be subsidizing or controlling health care. Instead of throwing money at the problem and building levels of bureaucracy, government should be working toward making health care coverage more affordable and

accessible through promoting competition in the health insurance marketplace and enforcing comprehensive cost control and reduction efforts.

“We, as a nation and a Commonwealth, truly need reform in the health care marketplace, but that reform doesn’t necessitate the construction of new bureaucracies and the appointment of more czars.

“We can take basic steps to reduce costs using mostly the resources at hand. A strong network of health care clinics can be the primary source of preventative and routine basic care for those individuals and families who now use hospital emergency rooms for those services. I also believe efforts should continue to curtail the need for defensive practices in the medical provider community. As chairman of the Senate Banking and Insurance Committee I will continue to advocate for commonsense, consumer-driven reforms to increase accessibility and affordability of health care.

“The Department of Insurance’s decision to increase fees for the adultBasic program further substantiates the hesitance of Senate Republicans to support the expansion of the adultBasic program as proposed in House Bill 1, which is now before the Senate Banking and Insurance Committee. Had HB 1 passed, the explosion in costs to operate adultBasic that have been brought to light by the Rendell Administration would be exponentially greater leaving the taxpayers stuck holding the tab.”

###

Contact: Joe Pittman (724) 357-0151 or (724) 541-0552 (cell)