



PA HEALTH ACCESS NETWORK

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FOR IMMEDIATE RELEASE

Preserving adultBasic Good Economics, Right Thing to Do

Advocates join lawmakers at Capitol press conference to call on Governor, Blues to preserve adultBasic

HARRISBURG, PA (January 24, 2011) — Jerry “OJ” Kaufmann of Erie isn’t quite sure what he’ll do if the state’s adultBasic health insurance program comes to an end next month. He’s battling prostate cancer and, like many people on adultBasic, he needs regular medical care.

Mr. Kaufmann is one of 42,000 adultBasic enrollees who will lose affordable health coverage in February unless Governor Tom Corbett and the General Assembly address a funding shortfall. He joined a group of advocates and lawmakers at a Capitol press conference today to call on Governor Corbett to work with lawmakers to save the affordable health insurance program.

The Corbett administration has proposed ending adultBasic and giving those who lose their insurance the option of enrolling in “Special Care,” a program operated by the state’s four Blue Cross/Blue Shield plans.

The Corbett administration also proposed moving some adultBasic enrollees with pre-existing conditions into PA Fair Care, a federally funded high-risk insurance plan, but that would require a change in federal law. Enrollment is also limited, with only about 1,200 slots currently available in PA Fair Care.

The Special Care program is a poor option for many adultBasic enrollees, like Mr. Kaufmann. Premiums are 400% more than adultBasic, and benefits are severely limited, including a cap on four doctor visits per year.

“With all health issues I have had, I could do that in one week,” Mr. Kaufmann said. “Without insurance, I’m going to be up creek.”

Ayodeji O. Bakare, an OB-GYN doctor, said at today’s press conference that ending adultBasic would lead to more sick uninsured people delaying medical care and showing up in emergency rooms in hospitals across Pennsylvania. Continuing adultBasic is not only good for people but good for the state’s economy, he said.

Following Dr. Bakare, Rev. Amy Reumann, Director of the Lutheran Advocacy Ministry in Pennsylvania, said: “It’s the right thing to do, it’s good economics and it makes sense.”

Freddi Carlip of Williamsport, a self-employed editor, calls adultBasic a “life-saver” — or in her case, a “sight-saver” because it allowed her to get cataract surgery that saved her eyesight.

“People who are on adultBasic have jobs, they’re working, but they cannot afford insurance because insurance is so expensive,” she said.

Advocates called on policymakers and the state's Blues plans to come to the table to resolve the funding shortfall.

Since 2005, adultBasic was funded by an assessment on the Blues plans and a share of the state's tobacco settlement funds, but a funding agreement with the Blues expired in December. While the Blues agreed to continue funding adultBasic through June, their actual contributions have fallen short.

The nonprofit Blues agreed to make contributions to adultBasic after public outcry over their growing surpluses. Between 2002 and 2010, the Blues' collective surpluses grew from \$3.5 billion to \$5.9 billion.

The Blues could fully fund adultBasic, without any state funds, with less than 3% of their combined surpluses.

The Pennsylvania Health Access Network (PHAN) is a coalition of 50 groups from across the Commonwealth working to improve access to quality health care through the expansion of health insurance coverage. To learn more, go to www.pahealthaccess.org.