



## Policy White Paper

### A Health Care Plan Designed by Ohio for Ohioans

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**Problem Statement:** Obamacare has been a disaster for the people of Ohio and across the country, increasing the cost of health insurance, undermining the competitive insurance marketplace Ohio cultivated for decades, hurting job creation, mandating coverage but reducing insurance options, and creating a dependency on an unsustainable expectation of government-run coverage. While Obamacare gave you an insurance card, it failed on the promise that if you like your doctors, you can keep them. There is a broad recognition that Obamacare has failed and that states need flexibility to craft common-sense models that meet the unique needs of their citizens. Congress has failed to act.

**Goal:** To create an Ohio-specific approach to health care coverage that may require federal action to provide full flexibility to implement parts of it, and will ensure that Ohio has a plan to address the failures of Obamacare. This approach will be fiscally sustainable and prioritize access for the working poor, those with preexisting conditions, job creators, and those battling mental illness and addiction. In addition, this approach will move beyond the existing framework of thinking about health care coverage, and propose innovative mechanisms for ensuring health care is available and accessible to Ohioans.

#### Principles:

1. Reform Requires a Shift in How We Think About Health Care – Too much of the discussion around Obamacare and beyond is focused on health insurance, rather than on the actual delivery and payment of health *care*. As long as we look at health care through the same old lens, we will be stuck with the same old problems. A willingness to think innovatively about providing care to those who need it, and using the market to do it, is essential if we are actually going to move beyond the existing debates.
2. Health Care is Not “One-Size-Fits-All” – What works in California, Illinois, or Alabama is not necessarily what will work in Ohio. Congress must repeal Obamacare and provide governors the flexibility to craft solutions that are appropriate to their states’ needs.
3. A Health Care Solution Must be Fiscally Responsible – As important as health care coverage is, it should not crowd out funding for seniors, children, and individuals with disabilities. A responsible approach to health care coverage will address Ohio’s health care needs while ensuring that the state is able to fund other priorities as well such as education, public safety, and infrastructure.

4. Safety Net Programs Are Important, but Are Not Long-Term Solutions – Medicaid was originally enacted to help fund medical services for impoverished people who were unable to work due to age, disability, or family obligations. Since then, coverage has expanded much farther to include able-bodied adults. Medicaid should serve the people who need it, but other health coverage solutions should provide coverage while incentivizing work and opportunities for longer-term success for those who are able.
5. Targeted Market-Based Solutions Can Address the Coverage Needs of Ohioans – Much of the discussion around health care has presumed that Medicaid is the only way to ensure access to health care for various populations. However, creative market-based approaches can target the populations the state wants to prioritize, while promoting access to better, less expensive care.

### **Actions:**

#### Demand the Federal Government Repeal Obamacare and Provide Flexibility to the States

Authorize and Promote “Direct Primary Care” – Just as you don’t use insurance to take your car in for routine maintenance, basic primary care and preventative services can be provided outside of the health insurance system. Doctors should be allowed to form groups for the purpose of providing primary care only. A monthly payment will allow patients to visit the doctor when they need to for these services. This is a much more economical way to ensure that Ohioans get the regular health care they need. Insurance coverage can then be purchased for higher cost and emergency services, and persons with preexisting conditions will continue to have access to health care under this model.

Provide Relief to Job Creators – Mandating small employers – the engine of our economy – to purchase insurance is not the way to get more people covered. Small businesses already face enough challenges without adding this additional burden. Instead, small employers should be allowed to contribute to their employees care in a meaningful way, but without shouldering the entire burden of their employees’ care, as in today’s “all or nothing” market. The Taylor plan will demand that Congress change the law to allow small employers to contribute what they can, without triggering all the laws that come with providing a group plan.

Create Individual Health Accounts for Individuals Who Have Multiple Jobs – For people who have multiple part-time jobs, none of which provide health insurance, getting and maintaining coverage has historically been a challenge. We would allow an individual to establish a health care account to pay for health care expenses, and each of the employers would be able to contribute, allowing employers to help fund health care for its part-time employees without shouldering an unsustainable financial burden.

Allow the Existing Mechanisms to Work for Employer-Based Insurance and Medicaid for the Poor – Medicaid is the appropriate solution for the poor who are truly unable to work, and while we must be vigilant to provide quality coverage and minimize costs, this will continue to be the solution for this population. Likewise, employer-funded health insurance purchased off the

existing market without an individual or employer mandate is the appropriate mechanism to provide health care coverage to the majority of able-bodied adults and their families.