

DeFazio is committed to reining in the escalating costs of health care and insuring access to quality health care for all Americans. Our health care system is capable of providing quality care to some, that care is inefficient and expensive, while leaving behind many Americans with poor care at best. The health care system is failing too many people. Too many families are vulnerable to the whims of the insurance and pharmaceutical industries, which are more interested in protecting profits than the health care of hard working Americans and seniors. Seniors are vulnerable to the same insurance and pharmaceutical industries, but their Medicare is also under an ideological attack.

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**Major Accomplishments** □ □

### *Ending Abusive Insurance Industry Practices*

The insurance industry has operated beyond the reach of America's anti-trust laws since the McCarran-Ferguson Act was passed by Congress in 1945. The insurance industry should play by the same rules as other industries in America. Insurance companies and Major League Baseball are the only two industries exempt from anti-trust laws. Insurance companies are free to collude amongst themselves to drive up prices and deny care.

Congressman DeFazio has been pushing to repeal the antitrust exemption for the insurance industry for 20 years. The Consumer Federation of America has said that this action alone would save consumers more than \$40 billion in insurance premiums. Since the Senate stripped these reforms from the final health care bill Congressman DeFazio successfully fought to have it passed as its own bill. It passed the House on February 24, 2010 by a bi-partisan vote of 406 to 19.

### *Protecting Medicare*

DeFazio has successfully opposed efforts to privatize Medicare and lessen benefits for seniors. Medicare was created because, at their age and with their pre-existing conditions, seniors could not purchase an affordable private health insurance plan. As a result health care costs were driving American seniors into financial ruin, often forcing them into poverty. DeFazio is opposed to any plan that brings those days back for current or future retirees.

Medicare's administrative costs are about 2 percent compared to 25 to 30 percent among private insurance companies. Medicare does, however, suffer from the same rapid increase in health care costs that is affecting all health insurance. Proposals that simply reallocate costs to seniors would not lower health care costs; it would simply shift the costs onto seniors. Healthcare costs need to be lowered for everyone, not just seniors.

### *Improving Access to Care for Medicare Recipients*

Due to the current Medicare reimbursement formula, Oregon is one of 17 states where doctors and hospitals receive Medicare reimbursements at rates far below the national average, despite delivering better health outcomes. Oregon doctors are increasingly unable to take new Medicare patients because reimbursement rates are so low that they lose money on every patient.

After decades of trying, Congress finally fixed the Medicare geographic disparities formula. With the leadership of Congressman DeFazio, an agreement was reached that will fix the outdated formula and provide a path forward for the future. For the next two years, Oregon doctors and hospitals will receive immediate relief for their unfairly low Medicare reimbursement rates. These fixes will be made permanent by 2012.

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### **The Affordable Care Act**

DeFazio supported the Affordable Care Act which passed in 2010 and will slowly improve the health care coverage of all Oregonians. For those who have health insurance they like, they can keep it. Those who don't have health insurance, they will have better, more affordable options to get it. And, for the nearly 600,000 Medicare beneficiaries in Oregon, they will have better benefits and improved access to health care services.

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### **Closing the Donut Hole and Lowering Prescription Drug Costs**

The prescription drug Medicare Part D program gave massive subsidies to the insurance and pharmaceutical industries and created the dreaded "donut hole".

The Affordable Care Act has begun to phase out this doughnut hole, helping over 14,000 seniors in the 4th district of Oregon. It also will provide a 50% reduction on brand name drug prices for seniors while the donut hole is being transitioned out.

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### Lowering Health Care Costs

The Affordable Care Act does not add to the deficit. The Congressional Budget office (CBO) , the official nonpartisan arbiter of the cost of legislation, [estimates that it will lower the deficit by \\$143 billion in the first ten years and those savings would grow even more in the next ten years](#) . CBO also estimates that premiums for families with comparable coverage will be lower under reform. More savings can be found by changing the way healthcare is delivered by incentivizing healthcare providers to work with each other and coordinate care for every patient.

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### Must Reads

- [Rep. Peter DeFazio moves to strip anti-trust protection from health insurance companies](#)  
*The Oregonian*  
June 2, 2011
- [Health Care Overhaul's Key Parts](#) *CQ Weekly* April 14th 2010
- [Don't Believe the Writedown Hype](#) *Wall Street Journal* April 1st, 2010
- [Sebelius Letter to America's Health Insurance Plans on Coverage for Children with Pre-Existing Conditions](#) . March 29, 2010

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## Videos

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## Press Releases

- 05.31.11 [DeFazio, Slaughter Revive Bill to Strip Insurance Anti-Trust Immunity](#)
- 02.24.11 [DEFAZIO OFFERS PLAN TO PROTECT AND PRESERVE SOCIAL SECURITY](#)
- 02.19.11 [DEFAZIO INTRODUCES LEGISLATION TO REFORM THE INDIVIDUAL MANDATE](#)
- 02.01.11 [DEFAZIO OFFERS COMMON SENSE FIX TO THE INDIVIDUAL MANDATE](#)
- 01.28.11 [DEFAZIO BLASTS GOP PLAN TO PRIVATIZE MEDICARE](#)
- 01.20.11 [DEFAZIO VOTES AGAINST HEALTH CARE REPEAL, SUPPORTS KEY REFORMS](#)
- 10.13.10 [DEFAZIO AND DOCTORS ANNOUNCE MEDICARE REIMBURSEMENT INCREASES](#)
- 08.09.10 [DEFAZIO AND SANDERS OFFER PLAN TO PROTECT SOCIAL SECURITY](#)
- 04.20.10 [67,000 OREGON SMALL BUSINESSES ELIGIBLE FOR HEALTH INSURANCE TAX CREDITS](#)
- 03.21.10 [DEFAZIO VOTES FOR HISTORIC LEGISLATION TO IMPROVE ACCESS TO QUALITY HEALTH CARE FOR THOUSANDS OF OREGONIANS](#)
- 03.20.10 [OREGON DELEGATION SECURES CRITICAL LANGUAGE TO IMPROVE ACCESS TO HEALTH CARE FOR OREGON SENIORS](#)
- 03.19.10 [DEFAZIO FIGHTS TO IMPROVE ACCESS TO HEALTH CARE FOR OREGON SENIORS](#)
- 02.24.10 [HOUSE PASSES DEFAZIO LANGUAGE TO LOWER HEALTH CARE COSTS](#)
- 11.18.09 [DEFAZIO STANDS UP FOR SENIORS, PROTECTS ACCESS TO DOCTORS](#)
- 11.09.09 [DEFAZIO VOTES TO BRING REAL REFORM TO THE HEALTH INSURANCE](#)

### INDUSTRY

- 11.04.09 [DeFazio Language to Repeal Health Insurance Anti-Trust Exemption Included in Health Reform Bill](#)
- 10.22.09 [DEFAZIO, WELCH, STUPAK, TAYLOR URGE SPEAKER TO REVOKE ANTI-TRUST EXEMPTIONS FOR HEALTH INSURANCE COM](#)
- 06.19.09 [DeFazio Measure on Relationship Between Drug Companies and Doctors Included in House Reform Bill](#)

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## **Additional Reform Resources**

- [Healthcare.gov](#)
- [Read the Full Law](#)
- [Full CBO score](#)

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## **Reform Summary Documents**

- [Summary](#)
- [Immediate Benefits](#)
- [Major Provisions in Chronological Order](#)
- [Cost of Inaction](#)
- [Impact in Southwest Oregon](#)

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## **Reform Provisions**

- [Pre-Existing Condition Insurance Plan \(Now Available\)](#)
- [Timeline for Implementation](#)

- [Helping Small Businesses](#)
- [Consumer Protections & Insurance Market Reform](#)
- [Preventing Waste, Fraud & Abuse](#)
- [Making Coverage Affordable](#)
- [Employers and Health Reform](#)
- [Strengthening Medicare](#)
- [Medicare Part D](#)
- [Medicare Advantage](#)
- [The Health Insurance Exchange](#)
- [Innovative Delivery System Reform](#)
- [Guaranteed Benefits](#)
- [Summary of Revenue Provisions](#)
- [Addressing Health and Health Care Disparities](#)
- [Rural America & Reform](#)

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## Geographic Disparities in Medicare

- [Summary of the Medicare Geographic Disparity Agreement](#)
- [Letter from Secretary Sebelius on Geographic Disparities](#)
- [Support letter from the Lane County Medical Association](#)
- [Support letter from the Oregon Medical Association](#)
- [Support letter from the Oregon Association of Hospitals and Health Systems](#)

### Additional Material on Geographic Disparities

- [Priority Areas for National Action: Transforming Health Care Quality](#). IOM Report 2003
- [Quality through Collaboration: The Future of Rural Health Care](#). IOM Report 2005
- [Rewarding Provider Performance: Aligning Incentives in Medicare](#). IOM Report 2006

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## Small Business Support

- [Health Reform Subsidy Calculator](#)
- [IRS Information on Small Business Tax Credits](#)

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