



FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS - NEWS RELEASE -

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Questions and Answers Concerning the Senate Healthcare Bill

EDWARDSVILLE, IL, December 21, 2009 - As confusion concerning proposed healthcare legislation builds, the Federation of American Consumers and Travelers (FACT) is fielding more and more questions on the topic.

Vicki Rolens, managing director of the not-for-profit consumer association, says, "FACT has steadfastly maintained a neutral position on political matters. We simply refuse to take sides, which enhances our credibility and leads our members to rely on us for unbiased information concerning important issues."

She adds: "Lately, most questions concern the various healthcare proposals floating around Washington. These proposals are thousands of pages long and written in language which almost no one could comprehend even if he or she had the reading time. FACT tries to wade through it all and to deliver accurate information to our members, but it's impossible to explain all elements of the legislation with absolute certainty."

Some examples of the most frequently asked questions, and the most straightforward answers possible in light of the length and complexity of the Senate's healthcare bill, include:

Q. Who will need to have health insurance?

A. Every legal resident will be required to buy health insurance. Subsidies will be available to individuals and families who meet certain financial criteria, based upon the so-called "poverty level." For residents who don't follow the government mandate, penalties will be levied.

Q. Are employers required to provide health insurance for their employees?

A. No, but they would need to pay a penalty if any employee uses the government subsidy to purchase insurance. Any company with more than 50 employees could face a penalty of \$750 per worker, multiplied by the total number of full-time workers it employs, if just one worker obtains subsidized coverage on his or her own.

Q. Where will I get my medical insurance?

A. It is anticipated that most medical insurance will continue to be employer-related. Persons without employer-provided insurance will apparently be directed to a state-based insurance exchange.

Q. When would the legislation actually kick in?

A. For the most part, not until 2014, although taxes necessary to pay for the plan would be implemented immediately.

Q. Will my premiums go down?

A. According to the Congressional Budget Office (CBO), the average premiums for a nongroup policy in 2016 will be \$5,800 for single coverage and \$15,200 for a family. For small groups, the average premium per policy will be “in the vicinity of \$7,800 and \$19,200.” For large groups (50+ employees), the averages are estimated to be \$7,400 and \$20,300.

Rolens says there is still much uncertainty about what a final healthcare bill, if passed, will look like. “The Senate bill needs to be somehow reconciled with the House version,” she points out, “and there are any number of stumbling blocks, large and small, which might be encountered.”

The Federation of American Consumers and Travelers (FACT) is a consumer organization, formed under the not-for-profit corporation laws of the District of Columbia in 1984. It serves more than 1 million consumers nationwide. Additional information on FACT may be found in the *Encyclopedia of Associations*, and by visiting the association's Web site (www.usafact.org). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. The association does not offer support to -- and does not receive support from -- any political party or movement. In addition to publishing consumer-related reports, the association provides more than 30 benefits for its members, ranging from [medical insurance](#) and [dental discounts](#) to [prescription drug savings](#) and [scholarships](#). FACT's administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025.