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## (March 2, 2005) LIPINSKI URGES HELP FOR THE UNINSURED

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#### Lipinski Statement on Fair Care for the Uninsured Act

WASHINGTON, DC - Congressman Daniel Lipinski, a member of the House Committee on Small Business, today gave the following statement during a hearing on prescriptions for health care solutions:

"Thank you, Mr. Chairman.

In 2003, 45 million Americans had no health insurance, an increase of 1.4 million people compared to 2002, and a continuation of recent trends. Of these 45 million, more than 80 percent hold jobs and work year-round, mostly in small businesses. The problem is that they are not poor enough to qualify for Medicaid, but too poor to buy health insurance on their own, if their employer does not provide it. Congressman Mark Kennedy and I have introduced H.R. 756, the Fair Care for the Uninsured Act, which would provide greater equity, access, portability, and choice for those who are left behind in today's system. It will also create a marketplace where individuals and families can choose a plan that best meets their needs.

The Fair Care for the Uninsured Act of 2005 would create a new tax credit for the purchase of private health insurance, specifically for uninsured workers who do not have access to an employer-based health plan. This way insurance will become more affordable, more people will become insured and consumers will have more choice and control. The tax credit would be \$1,000 for an individual or up to \$3,000 per family.

Giving more individuals an opportunity to purchase health insurance is not only beneficial to them, but it is better for insured Americans as well. Families who cannot afford health insurance often have no other health care option than the hospital emergency room. The cost of an emergency visit is 3-4 times more expensive than the cost of a regular office visit and when the uninsured turn up in the emergency room, they usually cannot pay for the care they receive.

As a diabetic, I know the importance of utilizing preventive services and getting proper treatment for even minor problems. Unfortunately, most uninsured people delay care for minor problems until they become major ones. In fact, uninsured diabetics are up to 11 times more likely than their insured counterparts to require emergency hospitalization that could have been avoided with proper medication. Ultimately, these costs are paid by taxpayers in the form of higher taxes and paid by the insured in the form of higher premiums. By making health care more affordable for uninsured Americans, we are making it more affordable for everyone.

Additionally, a lack of access to affordable health insurance disproportionately affects America's large and growing Hispanic community. According to the U.S. Census Bureau, over one third, or 34.2 percent of Hispanics were uninsured, compared to only 12 percent of non-Hispanic whites. Only 38 percent of Hispanics working in small-to-medium size companies have health insurance compared to 63 percent for white workers. Most Hispanic workers are heavily

concentrated in the service industry and in small businesses, working for firms that do not or cannot offer them health insurance coverage, therefore, they are disproportionately found outside the normal channels of health insurance in this country. For these hard working Americans, Fair Care will make insurance more affordable and help alleviate their fears of a medical crisis.

Some might argue that this legislation interferes with the employer-based health care system. However, under Fair Care, only persons who do not have access to workplace health coverage qualify for the tax credit. Furthermore, the legislation includes worker protections requiring employers to continue their health plans during the first five years after enactment.

H.R. 765 recognizes the importance of the health insurance Safety Nets that already exist in 32 states, such as the CHIP plan in Illinois, for those who are otherwise uninsurable. Fair Care builds upon the success of these programs for older, less healthy Americans by expanding them to all fifty states.

It's time to do something concrete to improve Americans' access to health care and Fair Care is a common sense, bipartisan piece of legislation, that would enable more Americans access to affordable health insurance. I would like to thank the Chairman for the opportunity to speak on this legislation, and I look forward to hearing the testimony of our witnesses regarding their ideas for addressing our crisis in health care."