

Proposed Health Care to Senator Mitch McConnell

1. The elderly and the very poor are covered by Medicare and Medicaid; the same as today.
2. People are free to choose whatever health insurance they can afford, but we promote Catastrophic Health Insurance (CHI) as the only health insurance that most people need; all other health care is paid via a Health Savings Account (HSA) credit card. CHI should follow the person; no matter if they change jobs. Per our research, paying for health care via cash instead of an insurance payment program saves 43% off of the cost of the same health care; everybody wins!
3. WE MUST HAVE ACCUMULATIVE HEATHCARE PAYMENTS!!!! Healthcare payments for each illness should be accumulative over multiple years. After you meet the deductible for that one illness, all additional medical costs for that illness is covered under the CHI. That means, if you have an illness such as diabetes where you pay \$238 per month, you will accumulate over \$20,000 worth of medical expense for this one illness after 7 years; after you meet the deductible, all medical expenses for your diabetes is covered for life. Of course, cancer or a heart attack will accumulate to \$20,000 quicker. Because of Accumulative Healthcare Payment and because CHI follows the person, a pre-existing condition will have no bearing on your insurance premium.
4. The federal government should mandate that all employers provide CHI (as a minimum) at a maximum deductible of \$20,000 to \$35,000 per illness. The maximum deductible is based upon 50% of the employee's salary (someone making \$70,000 or more per year would have a maximum deductible of \$35,000). Obviously, employers could offer \$20,000 deductible + a HSA. Personally, I would accept a \$35k deductible with a much larger contribution to my HSA. As shown in the table below from my 2013 book (download at theUSAParty.com), the annual premium for a 50-year-old male in a family of 4 is \$3,763.56; if you and your employer contribute \$8,320 per year to your health insurance, \$4,556.44 will be available for your HSA and it will take a minimum of 5.49 years to accumulate \$25,000 in your HSA to meet your deductible for a catastrophic illness. BTW: The \$8,340 is the amount contributed each year by the state of Kentucky to a typical school teacher salary.
5. If you live a healthy life and don't use your HSA, when you retire (and go on Medicare), you can retire with \$100,000's from your HSA!!! You Win!
6. Since doctors will have to show the price of their services, they must now compete for their customers and provide better service. Everybody Wins!!!

	Age of Male / Family Size / Insurance Description	Age of Male Adult	Family Size	Out of pocket deductible	Monthly premium	Annual Premium	Employee & Employer contributions	Remaining each year	Years to get \$25k in HSA
2014 OBAMACARE	50 / 4 / Low Deductible (Gold)	50	4	\$ 3,600	\$ 890.87	\$10,690.44	\$ 8,320.00	\$(2,370.44)	-
	40 / 4 / Low Deductible (Gold)	40	4	\$ 3,600	\$ 765.01	\$ 9,180.12	\$ 8,320.00	\$ (860.12)	-
	30 / 4 / Low Deductible (Gold)	30	4	\$ 3,600	\$ 701.20	\$ 8,414.40	\$ 8,320.00	\$ (94.40)	-
	30 / 4 / Low Deductible (Silver)	30	4	\$ 7,000	\$ 535.30	\$ 6,423.60	\$ 8,320.00	\$ 1,896.40	13.18
	30 / 2 / Low Deductible (Gold)	30	2	\$ 3,600	\$ 388.30	\$ 4,659.60	\$ 8,320.00	\$ 3,660.40	6.83
	30 / 1 / Low Deductible (Gold)	30	1	\$ 1,800	\$ 207.07	\$ 2,484.84	\$ 8,320.00	\$ 5,835.16	4.28
	30 / 1 / Low Deductible (Silver)	30	1	\$ 3,500	\$ 136.69	\$ 1,640.28	\$ 8,320.00	\$ 6,679.72	3.74
	30 / 1 / Low Deductible (Bronze)	30	1	\$ 6,300	\$ 102.41	\$ 1,228.92	\$ 8,320.00	\$ 7,091.08	3.53
	22 / 1 / Low Deductible (Gold)	22	1	\$ 1,800	\$ 181.23	\$ 2,174.76	\$ 8,320.00	\$ 6,145.24	4.07
	22 / 1 / Low Deductible (Silver)	22	1	\$ 3,500	\$ 120.43	\$ 1,445.16	\$ 8,320.00	\$ 6,874.84	3.64
22 / 1 / High Deductible (Bronze)	22	1	\$ 6,300	\$ 90.23	\$ 1,082.76	\$ 8,320.00	\$ 7,237.24	3.45	
2013 PRE-OBAMACARE	50 / 4 / Low Deductible	50	4	\$ 4,150	\$ 744.33	\$ 8,931.96	\$ 8,320.00	\$ (611.96)	-
	40 / 4 / Low Deductible	40	4	\$ 4,150	\$ 631.42	\$ 7,577.04	\$ 8,320.00	\$ 742.96	33.65
	30 / 4 / Low Deductible	30	4	\$ 4,150	\$ 582.28	\$ 6,987.36	\$ 8,320.00	\$ 1,332.64	18.76
	30 / 2 / Low Deductible	30	2	\$ 4,150	\$ 315.12	\$ 3,781.44	\$ 8,320.00	\$ 4,538.56	5.51
	30 / 1 / Low Deductible	30	1	\$ 3,500	\$ 105.04	\$ 1,260.48	\$ 8,320.00	\$ 7,059.52	3.54
	22 / 1 / Low Deductible	22	1	\$ 3,500	\$ 97.04	\$ 1,164.48	\$ 8,320.00	\$ 7,155.52	3.49
2013 - Health Savings Account	50 / 4 / High Deductible	50	4	\$ 12,000	\$ 482.23	\$ 5,786.76	\$ 8,320.00	\$ 2,533.24	9.87
	40 / 4 / High Deductible	40	4	\$ 12,000	\$ 372.42	\$ 4,469.04	\$ 8,320.00	\$ 3,850.96	6.49
	30 / 4 / High Deductible	30	4	\$ 10,000	\$ 323.58	\$ 3,882.96	\$ 8,320.00	\$ 4,437.04	5.63
	30 / 2 / High Deductible	30	2	\$ 10,000	\$ 175.86	\$ 2,110.32	\$ 8,320.00	\$ 6,209.68	4.03
	30 / 1 / High Deductible	30	1	\$ 6,000	\$ 98.00	\$ 1,176.00	\$ 8,320.00	\$ 7,144.00	3.50
	22 / 1 / High Deductible	22	1	\$ 6,000	\$ 89.00	\$ 1,068.00	\$ 8,320.00	\$ 7,252.00	3.45
USA Party Health Savings Account	50 / 4 / Very High Deductible	50	4	\$ 25,000	\$ 313.63	\$ 3,763.56	\$ 8,320.00	\$ 4,556.44	5.49
	40 / 4 / Very High Deductible	40	4	\$ 25,000	\$ 262.05	\$ 3,144.60	\$ 8,320.00	\$ 5,175.40	4.83
	30 / 4 / Very High Deductible	30	4	\$ 25,000	\$ 227.67	\$ 2,732.04	\$ 8,320.00	\$ 5,587.96	4.47
	30 / 2 / Very High Deductible	30	2	\$ 25,000	\$ 123.76	\$ 1,485.12	\$ 8,320.00	\$ 6,834.88	3.66
	30 / 1 / Very High Deductible	30	1	\$ 15,000	\$ 61.88	\$ 742.56	\$ 8,320.00	\$ 7,577.44	3.30
	22 / 1 / Very High Deductible	22	1	\$ 15,000	\$ 61.88	\$ 742.56	\$ 8,320.00	\$ 7,577.44	3.30