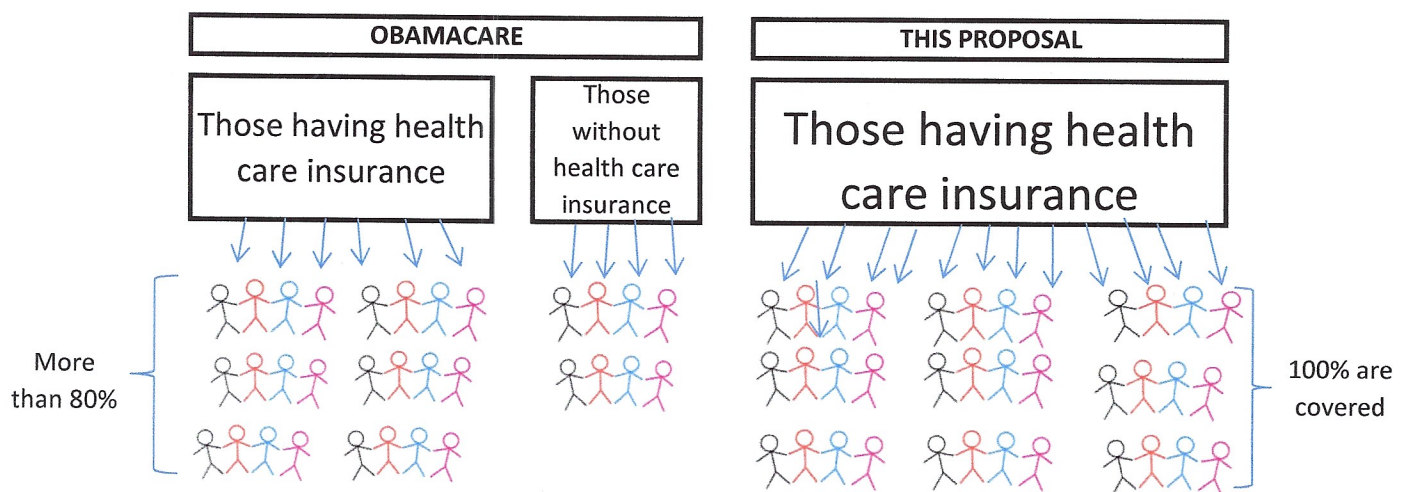


WHAT IF WE KEEP ALL THE BENEFITS OF THE AFFORDABLE CARE ACT (OBAMACARE), BUT CHANGE THE FUNDING, ADMINISTRATION AND OPERATIONAL MECHANISMS?

WHAT IF WE REMOVE OUR FEDERAL AND STATE GOVERNMENTS ENTIRELY FROM ANY ADMINISTRATIVE AND OPERATIONAL DUTIES IN PROVIDING HEALTH CARE AND LIMIT THEM ONLY TO THE FUNDING MECHANISM?

WHAT IF, IN DOING SO, WE ELIMINATE THE NEED FOR MEDICARE AND MEDICAID AND PROVIDE HEALTH CARE INSURANCE FOR ALL US CITIZENS AND LEGAL RESIDENTS?



FIRST OF ALL, IT IS IMPORTANT TO NOTE THAT ALL THOSE CURRENTLY USING MEDICARE OR THOSE ABOUT TO USE MEDICARE WITHIN THE NEXT FEW YEARS WILL BE ABLE TO CONTINUE USING MEDICARE UNDER THE CURRENT SYSTEM UNLESS THEY ELECT TO SWITCH TO THE PLAN OFFERED IN THIS PROPOSAL.

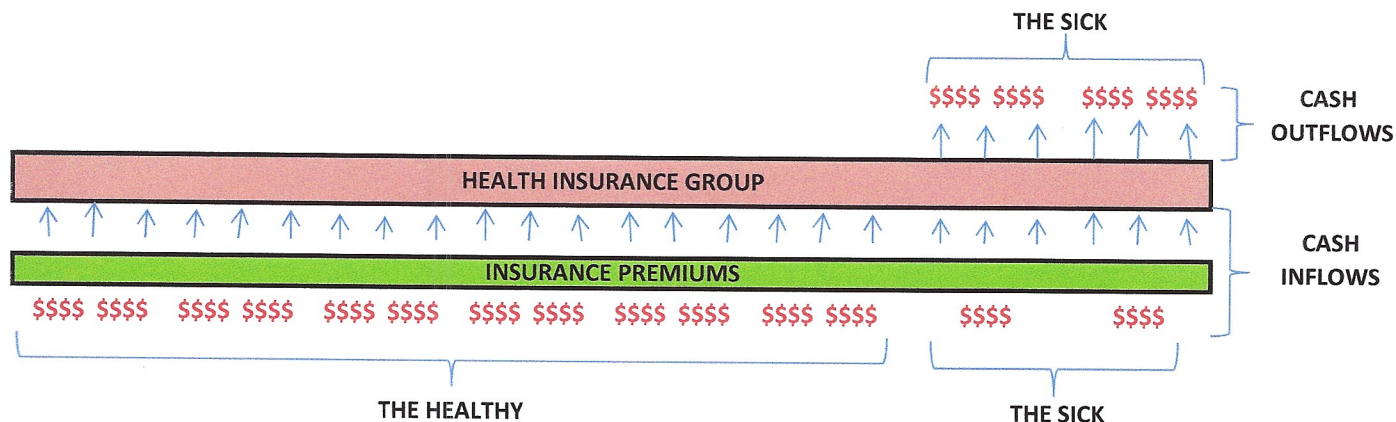
SECOND, EVERYONE, INCLUDING THOSE IN CONGRESS AND THOSE WORKING FOR OUR FEDERAL AND STATE GOVERNMENTS, WILL BE COVERED UNDER THIS PLAN – 100% OF ALL US CITIZENS AND LEGAL RESIDENTS WILL BE INSURED.

SO HOW DO WE ACCOMPLISH THIS?

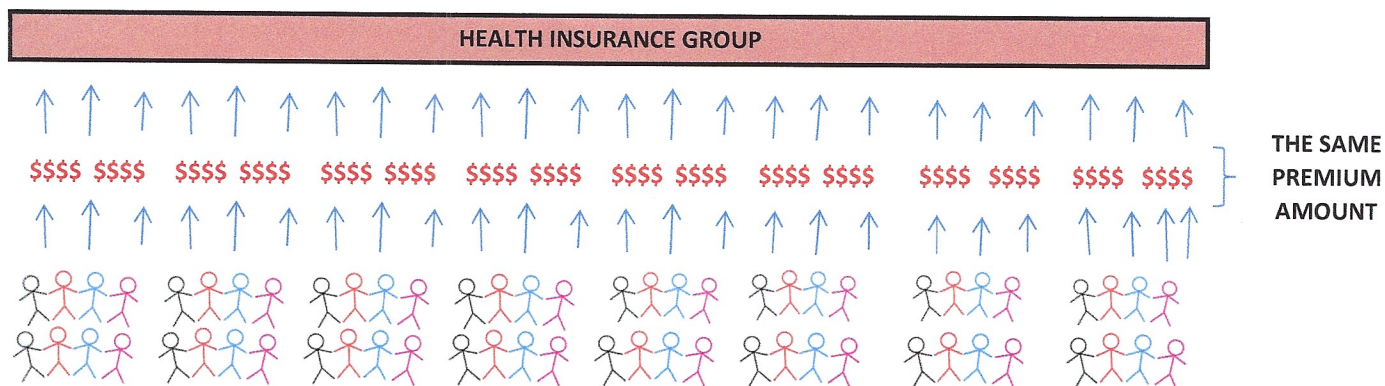
TO UNDERSTAND THIS PROPOSAL IT IS FIRST NECESSARY TO SEE CERTAIN ASPECTS OF HOW LARGE GROUP HEALTH CARE PLANS OPERATE.

LARGE GROUP HEALTH CARE PLANS ARE GENERALLY BASED UPON WHERE WE WORK. AND, THE LARGER THE PLAN, THE BETTER THE PLAN WORKS FOR BOTH INSURERS AND THOSE IT INSURES.

IT'S BETTER FOR GROUP HEALTH CARE INSURERS BECAUSE IT ALLOWS THEM TO SPREAD THE COSTS OF PROVIDING PAYMENTS FOR THE SICK OVER THE MAJORITY OF PREMIUMS IT COLLECTS FROM THE HEALTHY MEMBERS OF ITS PLAN.



IT'S BETTER FOR THOSE IT INSURES BECAUSE IF THE INSURANCE GROUP WANTS TO RAISE ITS PREMIUMS, IT MUST DO SO BY THE SAME AMOUNT FOR ALL THOSE IT INSURES.

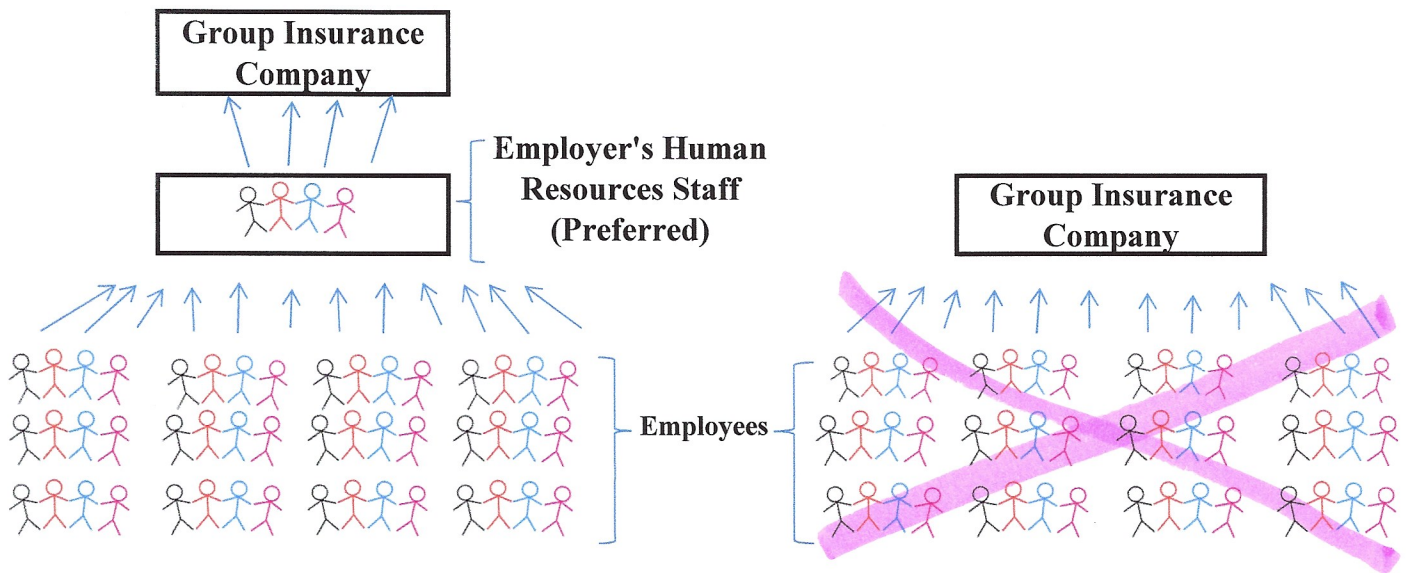


THERE'S SAFETY IN NUMBERS !!!!

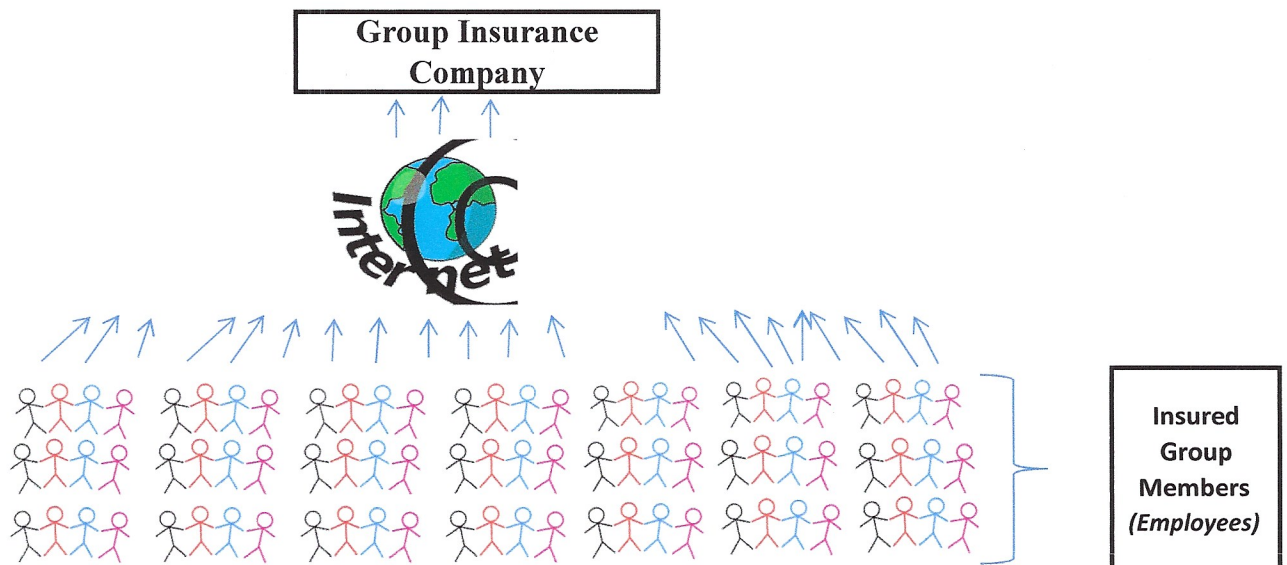
SO WHY ARE MOST GROUP HEALTH CARE PLANS STILL BASED UPON WHERE WE WORK? WHY CAN'T WE JUST JOIN WHATEVER GROUP PLAN WE CHOOSE AND NOT NEED TO GET A JOB AT THE PLACE THAT OFFERS THE HEALTH CARE INSURANCE PLAN THAT WE LIKE? WHY, WHEN WE SWITCH JOBS, WHY DO WE NEED TO SWITCH TO THE PLAN OFFERED BY OUR NEW EMPLOYER?

WHY????

IN THE PAST, IN THE PRE-COMPUTER/INTERNET AGE, INSURANCE COMPANIES PREFERRED TO DEAL WITH A FEW PEOPLE IN AN EMPLOYER'S HUMAN RESOURCES DEPARTMENT AND NOT WITH HUNDREDS AND/OR THOUSANDS OF PEOPLE INDIVIDUALLY.

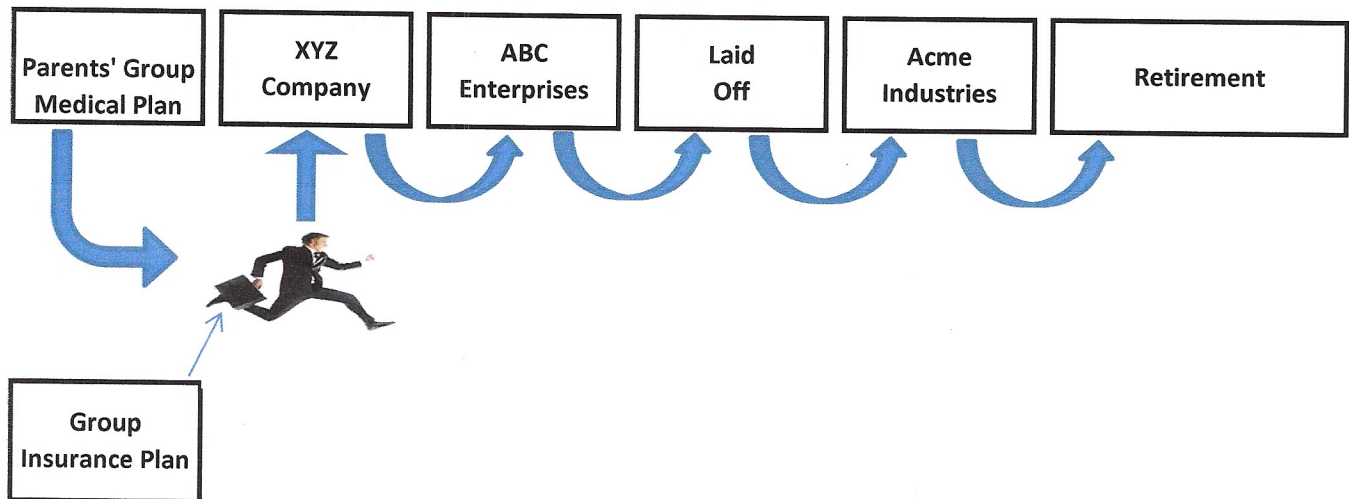


SO WHY, IN THIS COMPUTER/INTERNET AGE, WHEN CLAIMS CAN BE HANDLED MUCH MORE EFFICIENTLY, WHY ARE LARGE GROUP PLANS STILL BASED UPON WHERE WE WORK? WE CAN ONLY GUESS THAT THIS IS BECAUSE OF HABIT AND THE LACK OF VISION.



WHAT IF A PERSON SELECTED AND JOINED A LARGE MEDICAL GROUP INSURANCE PLAN AND THAT PLAN STAYED WITH THEM UNLESS THEY DECIDED TO MAKE A CHANGE?

WHAT IF IT WERE POSSIBLE TO KEEP THAT SAME PLAN EVEN IF YOU TEMPORARILY LOSE A JOB? WHAT IF THE PLAN STAYS WITH YOU WHEN YOU RETIRE?



SO HOW IS IT POSSIBLE TO GET ALL THOSE ABLE TO PAY HEALTH INSURANCE PREMIUMS TO STAY WITH THE INSURER OF THEIR CHOICE AND STILL PROVIDE INSURANCE FOR THOSE UNABLE TO PAY INSURANCE PREMIUMS?

FIRST WE ELIMINATE OBAMACARE'S PRIMARY FUNDING SOURCES:

An additional Medicare tax of .9% on individual incomes over a specified amount

A tax of 3.8% on the lesser of net investment income (*interest, dividends, capital gains, rental and royalty income, etc.*) or modified adjusted gross income over specified thresholds.

Note: The shared responsibility payment that was originally contained in the video version has been removed since that provision in the Act has been repealed.

THEN WE ASSESS ALL INCOME, NOT JUST WAGES – UP TO A SPECIFIED INCOME LEVEL. BY ALL INCOME WE MEAN:

WAGES

SELF-EMPLOYMENT INCOME

INTEREST, DIVIDENDS, AND CAPITAL GAINS

RENTS

ROYALTIES

ALL OTHER SOURCES OF INCOME

THEN, FOR WAGES EARNED (*THE LARGEST FUNDING SOURCE OF THIS PLAN*) 3.95% WILL BE ASSESSED FROM AN EMPLOYEE'S PAY AND THE EMPLOYER WILL MATCH THAT AMOUNT WITH AN ADDITIONAL 3.95% OF THE EMPLOYEE'S PAY UP TO \$500,000. IF THIS MAY APPEAR TO BE JUST AN ADDITIONAL BURDEN THAT THE EMPLOYEE AND EMPLOYER MUST BEAR, KEEP IN MIND THAT, AFTER A SPECIFIED TRANSITIONAL PERIOD, THERE WILL BE NO NEED FOR MEDICARE. THEREFORE, .95% THAT IS INCLUDED IN THE 1.45% OF AN EMPLOYEE'S PAY THAT MUST BE BORNE BY BOTH THE EMPLOYEE AND EMPLOYER WILL BE UNNECESSARY.

THE REMOVAL OF THIS TAX WILL **REDUCE** THE MEDICAL INSURANCE ASSESSMENT **FROM 3.95% TO 3%** EFFECTIVELY FOR BOTH THE EMPLOYEE AND THE EMPLOYER.

ALL ASSESSMENT PAYMENTS WILL BE PRE-TAX.

NOTE: THE OTHER .5% OF WAGES FROM THE EMPLOYEE AND .5% OF WAGES FROM THE EMPLOYER (A TOTAL OF 1%) THAT IS CURRENTLY BEING CHARGED FOR MEDICARE WILL BE PAID TO INSURERS TO COVER THOSE WITH MORE EXPENSIVE MEDICAL COSTS. ALSO, UNLIKE THE MEDICARE TAX, THIS 1% ASSESSMENT WILL STOP AT \$500,000.

PAYROLL EXAMPLES

FOR AN EMPLOYEE EARNING **\$30,000** ANNUALLY, THE HEALTH CARE ASSESSMENT WOULD AMOUNT TO A MONTHLY PAYMENT (*WITHHELD FROM THE EMPLOYEE'S PAY*) OF **\$98.75** FOR BOTH THE EMPLOYEE AND THEIR EMPLOYER.

FOR AN EMPLOYEE EARNING **\$50,000** ANNUALLY, THE HEALTH CARE ASSESSMENT WOULD AMOUNT TO A MONTHLY PAYMENT (*WITHHELD FROM THE EMPLOYEE'S PAY*) OF **\$164.58** FOR BOTH THE EMPLOYEE AND THEIR EMPLOYER.

DEPENDENTS

IF AN EMPLOYEE WISHED TO COVER ANY DEPENDENTS THEY WOULD BE ASSESSED AN ADDITIONAL **1%** OF THEIR WAGES, UP TO \$200,000, BUT THE **EMPLOYER WOULD NOT BE REQUIRED TO MATCH** THAT AMOUNT.

**IN ALL CASES, THE EMPLOYER
PAYS NO MORE THAN 3.95% OF
THE EMPLOYEE'S PAY** AND, AFTER
THE MEDICARE TAX IS REMOVED, AN
EFFECTIVE RATE OF 3%.

AN EMPLOYEE EARNING **\$30,000** WOULD PAY AN ADDITIONAL **\$25** PER MONTH FOR EACH DEPENDENT THEY WISHED TO COVER. AN EMPLOYEE EARNING **\$50,000** WOULD PAY AN ADDITIONAL **\$41.67** PER MONTH FOR EACH DEPENDENT THEY WISHED TO COVER.

HEALTH CARE ASSESSMENTS FOR THOSE NOT RECEIVING WAGES

THE WEALTHY (THOSE NOT NEEDING TO WORK OR JUST NOT EARNING WAGES), THE SELF-EMPLOYED, EARLY RETIREES AND REGULAR RETIREES (DECIDING NOT TO CONTINUE WITH MEDICARE) WOULD BE ASSESSED AT 7.9% (3.95% + 3.95%) OF THEIR EARNINGS UP TO \$150,000 AND THEN AT 3.25% OF THEIR EARNINGS FROM \$150,001 TO \$500,000.

IF THIS APPEARS TO BE EXCESSIVE REMEMBER THAT UNDER OBAMACARE THE WEALTHY WILL BE TAX ON 3.8% of the lesser of their NET INVESTMENT INCOME or their MODIFIED ADJUSTED GROSS INCOME OVER SPECIFIED THRESHOLDS*, WITH NO CEILING ON THOSE EARNINGS. THIS COULD PROVE TO BE MUCH MORE EXPENSIVE.

** This information has been corrected from the information contained in the video. Modified adjusted gross income has been added and the percentage has been reduced from 3.9% to 3.8%.*

FOR THOSE SELF-EMPLOYED:

FOR SELF-EMPLOYED INDIVIDUALS, AFTER A TRANSITIONAL PERIOD, ONCE MEDICARE HAS BEEN PHASED OUT, **1.9% THAT IS INCLUDED IN THE 2.9%** (1.45% FOR THE EMPLOYEE'S CONTRIBUTION AND 1.45% FOR THE EMPLOYER'S CONTRIBUTION) SHOULD BE ELIMINATED FROM THEIR SELF-EMPLOYMENT TAXES. THIS WOULD RESULT IN AN EFFECTIVE NET ASSESSMENT OF **6%** INSTEAD OF 7.9% ON THEIR FIRST \$150,000 IN INCOME.

FOR EXAMPLE: THOSE MAKING SELF-EMPLOYMENT INCOME OF **\$80,000** WILL PAY A MONTHLY ASSESSMENT OF **\$526.67**.

IF, AFTER A PHASING OUT PERIOD, 1.9% THAT IS INCLUDED IN MEDICARE'S 2.9% TAX (WHICH IS INCLUDED IN THE SELF-EMPLOYMENT TAX THAT THEY PAY) SHOULD BE ELIMINATED, REDUCING THE NET EFFECTIVE COST OF THEIR HEALTH CARE INSURANCE TO **\$400.00** PER MONTH.

*NOTE: ONCE AGAIN, THE OTHER .5% OF WAGES FROM THE EMPLOYEE AND .5% OF WAGES FROM THE EMPLOYER (A TOTAL OF 1%) THAT IS CURRENTLY BEING CHARGED FOR MEDICARE WILL BE PAID TO INSURERS TO COVER THOSE WITH MORE EXPENSIVE MEDICAL COSTS. ALSO, UNLIKE THE MEDICARE TAX, THIS **1% ASSESSMENT WILL STOP AT \$500,000.***

FOR THOSE RETIRED

AN ESTIMATE OF WHAT THE AVERAGE RETIREE ON MEDICARE MIGHT PAY FOR HEALTH CARE:

Medicare Part A	\$ 0
Medicare Part B	137 (<i>subject to change</i>)
Medicare Part D	55 (<i>estimated</i>)
Medicare Supplement	<u>170</u> (<i>estimated</i>)

Total Medicare Monthly Costs \$ 362

UNDER THIS PROPOSED PLAN, A RETIREE CURRENTLY ON MEDICARE WOULD NOT PAY MORE THAN THE ESTIMATE ABOVE UNLESS THEY WERE RECEIVING MORE THAN **\$1,500** PER MONTH FROM SOCIAL SECURITY AND HAD INCOME FROM OTHER SOURCES GREATER THAN **\$3,082** MONTHLY (TOTAL ANNUAL INCOME OF \$54,987).

UNDER THE PROPOSED PLAN, A RETIREE WHOSE SOLE INCOME IS **\$1,000** MONTHLY FROM SOCIAL SECURITY WOULD PAY **\$79** MONTHLY.

UNDER THE PROPOSED PLAN, A RETIREE WHOSE SOLE INCOME IS **\$2,000** MONTHLY FROM SOCIAL SECURITY WOULD PAY **\$158** MONTHLY.

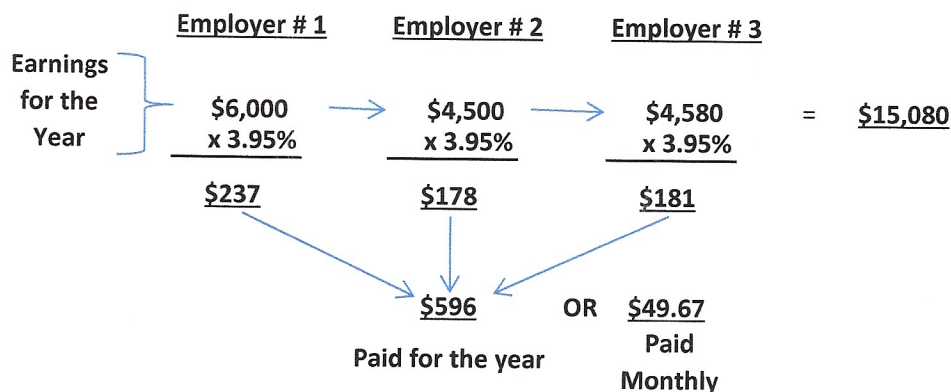
**FORMER DEPENDENTS OVER 25 YEARS OLD AND
STILL UNEMPLOYED AND LAID OFF WORKERS**

FORMER DEPENDENTS OVER 25 YEARS OLD STILL UNEMPLOYED AND LAID OFF WORKERS (HAVING NO OTHER SOURCES OF INCOME) WILL BE ASSESSED \$99.28 PER MONTH.

HOWEVER, IF THEY CAN'T AFFORD THIS PAYMENT THEY MAY STILL RECEIVE HEALTH CARE INSURANCE THROUGH THE GENERAL POOL.

PART TIME EMPLOYEES

SINCE THE HEALTH CARE ASSESSMENT IS BASED UPON THE VERY FIRST DOLLAR EARNED, THERE WILL BE LESS INCENTIVE FOR EMPLOYERS TO KEEP EMPLOYEES WORKING ONLY PART TIME. HOWEVER, IF AN EMPLOYEE IS STILL UNABLE TO GET FULL TIME WORK, THEY WILL BE ABLE TO KEEP THEIR GROUP INSURER (*AND NOT BE ASSIGNED TO THE GENERAL POOL*) BY **WORKING MORE THAN ONE PART TIME JOB UNTIL THEIR WAGES TOTAL \$15,080 ANNUALLY AND THEREFORE BE ASSESSED THROUGH THEIR WAGES **\$49.67** PER MONTH.**



THE GENERAL POOL

FOR THOSE WITH LITTLE OR NO SOURCES OF INCOME THE GENERAL POOL WILL BE AVAILABLE. GROUP INSURERS WILL BE REQUIRED TO TAKE ON A CERTAIN NUMBER OF GENERAL POOL PARTICIPANTS GRATIS.

THE DISADVANTAGE OF BEING IN THE GENERAL POOL (GP) IS THAT GP PARTICIPANT WILL NOT BE ABLE TO PICK THEIR HEALTH GROUP INSURANCE PLAN AND ALSO MAY NOT BE ABLE TO USE THE DOCTOR OF THEIR CHOICE. THE HEALTH INSURANCE GROUP WILL BE PERMITTED TO REQUIRE THAT THE PARTICIPANT ONLY USE DOCTORS WITHIN A CERTAIN GROUP OR WITHIN A CERTAIN GEOGRAPHIC AREA – EXCEPT IN EMERGENCIES. THESE LIMITATIONS WOULD BE SIMILAR TO THOSE IMPOSED BY MOST HEALTH MAINTENANCE ORGANIZATIONS (HMOs).

IF THE INSURANCE COMPANY HAS MORE THAN ONE HEALTH INSURANCE GROUP ESTABLISHED, THEY MIGHT BE ALLOWED TO PLACE GENERAL POOL PARTICIPANTS IN A SEPARATE GROUP SINCE THE OPERATIONS OF THE POOL WOULD BE DIFFERENT FROM THOSE OF THE GROUP INSURER WITH NON-GENERAL POOL PARTICIPANTS.

THE GENERAL POOL SHOULD ELIMINATE THE NEED FOR MEDICAID, CHIP AND CERTAIN MEDICARE PAYMENTS THAT FEDERAL AND STATE GOVERNMENTS MUST MAKE TO THESE ORGANIZATIONS.

THOSE WITH SIGNIFICANT MEDICAL & OTHER CARE EXPENSES

FOR THOSE, SUCH AS THE AGED AND THOSE REQUIRING WEIGHTY AND CONTINUAL MEDICAL COST OUTLAYS FOR INSURERS, AN ADDITIONAL 1% OF ALL EMPLOYEE WAGES WILL BE PAID TO INSURERS ONCE MEDICARE IS PHASED OUT. THAT 1% WILL COME FROM .5% THAT IS INCLUDED IN THE 1.45% CURRENTLY WITHHELD FROM EMPLOYEE WAGES (*BUT ONLY UP TO \$500,000*) AND .5% THAT IS INCLUDED IN THE 1.45% OF EMPLOYEE WAGES CONTRIBUTED BY EMPLOYERS (*BUT ONLY UP TO \$500,000 OF EACH EMPLOYEE'S WAGES*).

THE 1% TOTAL FROM MEDICARE TAXES WILL ONLY BECOME AVAILABLE ONCE MEDICARE HAS BEEN PHASED OUT. AND, **UNLIKE THE MEDICARE TAX, THE 1% WILL ONLY APPLY ON INCOME UP TO \$500,000 - NOT INDEFINITELY.**

WHEN WILL MEDICARE BE PHASED OUT? AFTER THE DEATHS OF ALL THOSE DECIDING NOT ACCEPT THE ALTERNATE INSURANCE OFFERED UNDER THIS PROPOSAL AND INSTEAD DECIDE TO CONTINUE UNDER THE MEDICARE SYSTEM. FOR THE MOST PART, THIS SHOULD OCCUR WITHIN 15 - 20 YEARS.

SO HOW DO WE RE-ORGANIZE GROUP HEALTH CARE PLANS WITH NO TIES TO WHERE WE WORK?

LEGISLATION MUST PROMOTE (& *PROVIDE ECONOMIC INCENTIVES*) FOR THE ESTABLISHMENT OF LARGE GROUP HEALTH CARE PLANS. THESE PLANS MUST PROVIDE SPECIFIED MINIMUM COVERAGE, PAY MINIMUM BENEFITS AND FOLLOW MINIMUM MEDICAL FEE PAYING RULES AND OTHER STANDARDIZED GUIDELINES (*LIKE REQUESTS FOR DOCUMENTATION FROM THE HEALTH CARE PROVIDER*).

TO PROVIDE INCENTIVES FOR INSURERS TO OFFER HEALTH INSURANCE GROUP PLANS, CAPS ON FEDERAL AND STATE TAXES MIGHT BE OFFERED (*SUCH AS A 10% CEILING ON FEDERAL INCOME TAXES AND NO STATE INCOME TAXES*).

LOW COST LOANS MIGHT ALSO BE PROVIDED AND/OR GUARANTEED TO NEWLY FORMED HEALTH CARE GROUPS.

**DEDUCTIBLES AND MAXIMUM OUT OF
POCKET COSTS UNDER THE PLAN**

THERE WILL BE NO DEDUCTIBLE OR CO-PAYS FOR SINGLE INDIVIDUALS EARNING \$15,080 OR LESS AND MARRIED COUPLES EARNING \$30,160 OR LESS.

ABOVE THOSE AMOUNTS THE DEDUCTIBLE AMOUNT WOULD BE BASED UPON THE PERSON'S INCOME - IN OTHER WORDS, ON THEIR ABILITY TO PAY THE DEDUCTIBLE.

ALL INSURED WOULD BE ABLE TO CONTRIBUTE TO A PRE-TAX ACCOUNT SIMILAR TO A HEALTH SAVINGS ACCOUNT (HSA) UP TO THE AMOUNT OF THE MAXIMUM OUT OF POCKET COSTS OF THEIR PLAN.

ADVANTAGES FOR WAGE EARNING INDIVIDUALS

- **ALL WORKERS WILL BE INSURED**
- **PART TIME WORKERS MAY BECOME FULL TIME WORKERS SINCE HEALTH CARE INSURANCE WILL BE ASSESSED FROM THE VERY FIRST DOLLAR EARNED SO THERE WILL BE LESS INCENTIVE FOR EMPLOYERS TO LIMIT THE WORKING HOURS OF EMPLOYEES.**

HOWEVER, IF THE WORKER IS STILL UNABLE TO OBTAIN FULL-TIME EMPLOYMENT, THEY WOULD BE ABLE TO OBTAIN FULL TIME COVERAGE WITHOUT GOING INTO THE GENERAL POOL BY WORKING MORE THAN ONE PART TIME JOB AND/OR EARNING WAGES AT LEAST EQUAL TO \$15,080 ANNUALLY.

- **EMPLOYEES NEED NOT WORRY ABOUT LOSING THEIR HEALTH INSURANCE BY SWITCHING, LOSING OR QUITTING THEIR JOBS. THEIR INSURER STAYS WITH THEM UNLESS THEY ELECT TO SWITCH INSURERS.**

ADVANTAGES FOR EMPLOYERS

- EMPLOYERS NOT CURRENTLY PROVIDING HEALTH CARE INSURANCE BENEFITS:
- THOSE KEEPING MOST WORKERS PART TIME TO AVOID PAYING HEALTH CARE BENEFITS WILL NOW BE ABLE TO KEEP FEWER, MORE RELIABLE EMPLOYEES FULL TIME AND **KEEP THOSE EMPLOYEES LONGER** SINCE THEY NOW PROVIDE HEALTH CARE INSURANCE.
- WILL THIS PROPOSED RULE MAKE IT TOO EXPENSIVE FOR SMALL EMPLOYERS TO OPERATE? SINCE THE PROPOSED PLAN REMOVES THE NEED FOR MEDICARE, AFTER A TRANSITIONAL PERIOD, **.95%** THAT IS INCLUDED IN THE **1.45% MEDICARE TAX** THAT EMPLOYERS PAY WILL BE ELIMINATED AND THE NET EFFECTIVE COST TO EMPLOYERS WILL BE **3%.**
- EXAMPLE 1: EMPLOYEES EARNING **\$15,080** ANNUALLY (*THE FEDERAL MINIMUM WAGE*) WILL COST AN EMPLOYER **\$49.64** PER MONTH AND, WHEN WE FACTOR IN THE EVENTUAL ELIMINATION OF THE 1.45% MEDICARE TAX, THE NET EFFECTIVE COST TO THE EMPLOYER (AFTER REMOVING .95% THAT IS INCLUDED IN THE 1.45% MEDICARE TAX) WILL BE **\$37.70** PER MONTH.

ADVANTAGES FOR EMPLOYERS
(CONTINUED)

- **EMPLOYERS NOT CURRENTLY PROVIDING HEALTH CARE INSURANCE BENEFITS:**
- **EXAMPLE 2: EMPLOYEES EARNING \$30,160 IN ANNUAL WAGES (DOUBLE THE MINIMUM WAGE) WILL COST AN EMPLOYER \$99.28 PER MONTH AND, WHEN THE EVENTUAL ELIMINATION OF THE 1.45% MEDICARE TAX IS FACTORED IN, THE EMPLOYER'S NET EFFECTIVE COST WILL BE \$75.40 PER MONTH.**

ARE THESE ADDITIONAL MONTHLY EXPENSES TO RETAIN FEWER, MORE RELIABLE, EMPLOYEES TOO COSTLY FOR SMALL EMPLOYERS?ⁱ

- **EMPLOYERS ALREADY PROVIDING HEALTH CARE INSURANCE BENEFITS:**
- **THESE EMPLOYERS SHOULD EXPERIENCE A SIGNIFICANT DECREASE IN THEIR HEALTH CARE COSTS SINCE THEY WILL NO LONGER NEED TO PAY THE PREMIUMS THEY CURRENTLY PAY FOR THEIR EMPLOYEES' HEALTH INSURANCE.**

ADVANTAGES FOR THE SELF-EMPLOYED

- ONE OF THE PRIMARY BENEFITS OF THIS PROPOSED PLAN IS THAT INDIVIDUALS WILL POSSESS THE ABILITY TO TRANSITION FROM A WAGE PAYING ENVIRONMENT (*AS AN EMPLOYEE*) TO STARTING THEIR OWN BUSINESS WITHOUT NEEDING TO WORRY ABOUT BEING ABLE TO OBTAIN AND AFFORD HEALTH CARE INSURANCE.
- AND, ONCE AGAIN, AS MENTIONED PREVIOUSLY, SINCE THE PROPOSED PLAN WILL EVENTUALLY ELIMINATE MEDICARE, AFTER A TRANSITIONAL PERIOD, 1.9% THAT IS INCLUDED IN THE 2.9% A SELF-EMPLOYED PERSON PAYS FOR MEDICARE IN THEIR SELF-EMPLOYMENT TAX SHOULD BE ELIMINATED, RESULTING IN A LOWER EFFECTIVE NET ASSESSMENT OF 6% ON THEIR EARNINGS.
- EXAMPLE: THOSE MAKING SELF-EMPLOYMENT INCOME OF **\$80,000** WILL PAY A HEALTH CARE INSURANCE PREMIUM ASSESSMENT OF **\$526.67** PER MONTH. IF WE FACTOR IN THE EVENTUAL REMOVAL OF 1.9% THAT IS INCLUDED IN THE 2.9% MEDICARE TAX (*INCLUDED IN SELF-EMPLOYMENT TAX*), THE RESULTING EFFECTIVE MONTHLY ASSESSMENT WILL BE **\$400** PER MONTH.

ADVANTAGES FOR THE WEALTHY AND EARLY RETIREES

- ONE OF THE FUNDING SOURCES OF OBAMACARE IS A **3.8% TAX** ON THE LESSER OF NET INVESTMENT INCOME (*INTEREST, DIVIDENDS, CAPITAL GAINS, RENTAL, ROYALTY INCOME, ETC.*) OR MODIFIED ADJUSTED GROSS INCOME ABOVE CERTAIN THRESHOLDS (*\$200,000 FOR SINGLE INDIVIDUALS AND \$250,000 FOR MARRIED INDIVIDUALS FILING JOINTLY*). AND THIS **TAX** HAS **NO CEILING**. THE HIGHER NET INVESTMENT INCOME (*OR MODIFIED ADJUSTED GROSS INCOME*) GOES, THE GREATER THE TAX. AND, EVEN AFTER THE TAX IS PAID, THE INDIVIDUAL MUST STILL OBTAIN AND PAY FOR HEALTH CARE INSURANCE.

UNDER THIS PROPOSAL, THE HEALTH CARE INSURANCE ASSESSMENT IS **ONLY ON INCOME UP TO \$500,000** AND THE INDIVIDUAL **WILL HAVE HEALTH CARE INSURANCE** WHEN THE ASSESSMENT IS PAID.

**ADVANTAGES FOR LAID OFF EMPLOYEES AND
FORMER DEPENDENTS OVER 25 YEARS OLD**

- UNDER THIS PROPOSED HEALTH CARE PLAN THOSE **LAID OFF AND FORMER DEPENDENTS OVER 25 YEARS OLD** AND STILL UNEMPLOYED WILL BE ABLE TO KEEP THEIR EXISTING INSURANCE GROUP BY PAYING **\$99.28** PER MONTH. IF THEY HAVE DEPENDENTS, THEY WOULD BE ABLE TO KEEP THEM IN THE SAME PLAN BY PAYING AN ADDITIONAL **\$12.57** PER MONTH FOR EACH DEPENDENT.
- IF THOSE UNEMPLOYED (TEMPORARILY OR OTHERWISE) FIND THAT THEY ARE STILL **UNABLE TO MAKE THE MONTHLY PAYMENT**, THEY WILL STILL **BE ABLE TO OBTAIN COVERAGE IN THE GENERAL POOL.**

**ADVANTAGES FOR THOSE ABOUT TO AND
THOSE CURRENTLY USING MEDICARE**

WE HAVE ALREADY SHOWN EXAMPLES OF HOW MUCH HEALTH CARE INSURANCE WILL COST UNDER THIS PLAN VERSUS THE COST OF MEDICARE COVERAGE.

HOWEVER, THE GREATEST ADVANTAGE TO THOSE CURRENTLY COLLECTING MEDICARE AND THOSE ABOUT TO DO SO IS THAT, IF THIS PROPOSAL IS ADOPTED, A HEALTH CARE PLAN WILL **STILL BE IN EXISTENCE 20 YEARS FROM NOW. AND, IN MOST INSTANCES, THE PLAN WILL COST THEM LESS THAN THEY ARE CURRENTLY PAYING FOR MEDICARE PARTS B AND D AND A SUPPLEMENTAL MEDICARE INSURANCE.**

HOWEVER, IF THEY CHOOSE, THEY MAY STAY WITH MEDICARE AS IT CURRENTLY EXISTS FOR AS LONG AS THEY WISH.

ADVANTAGES FOR FEDERAL & STATE GOVERNMENTS

IF THIS PROPOSAL IS ADOPTED, THE FEDERAL GOVERNMENT WILL BE REQUIRED TO CONTRIBUTE TO EACH HEALTH CARE INSURANCE GROUP **\$3,500 FOR EVERY INSURED** IN THE GROUP. BASED UPON AN ESTIMATED POPULATION OF 325,000,000 THAT WOULD COST THE FEDERAL GOVERNMENT **\$1.14 TRILLION**, WHICH IS LESS THAN THEY ARE PROJECTED TO SPEND IN THE FUTURE AND SIGNIFICANTLY LESS THAN WHAT THEY WILL PAY IF FEDERAL AND STATE GOVERNMENTS ASSUME RESPONSIBILITY FOR INSURING ALL, AS IS BEING SUGGESTED BY A GROWING NUMBER OF PROGRESSIVES AND A LARGE PORTION OF THE MEDICAL PROFESSION.

STATE GOVERNMENTS WOULD BE REQUIRED TO CONTRIBUTE TO GROUP PLANS FOR RESIDENTS OF THEIR RESPECTIVE STATES A **PER CAPITA AMOUNT OF \$700**. THIS WOULD RESULT IN A TOTAL SUBSIDY OF **\$224.1 BILLION**, WHICH IS A FAR CRY FROM WHAT THEY ARE PROJECTED TO PAY IN THE NOT-TO-DISTANT FUTURE.

THE ONLY OTHER COSTS TO BE BORNE BY FEDERAL AND STATE GOVERNMENTS WOULD BE TRANSITIONAL COSTS AND THE COST OF REGULATING HEALTH CARE INSURANCE GROUPS,

ADVANTAGES FOR FEDERAL &
STATE GOVERNMENTS
(CONTINUED)

WHICH HAS TRADITIONALLY BEEN BORNE BY STATE AGENCIES.

AFTER A PERIOD OF TIME, OTHER U.S. DEPARTMENTS RESPONSIBLE FOR THE FUNDING AND OPERATIONAL FUNCTIONS OF MEDICARE AND MEDICAID MAY BE SLOWLY ELIMINATED.

FINALLY, THIS PROPOSAL, IF ACCEPTED, WOULD ALSO ENABLE THE FEDERAL AND STATE GOVERNMENTS TO AVOID THE FINANCIAL SHORTFALLS IN AVAILABILITY OF HEALTH CARE FUNDS WHICH ARE PROJECTED TO OCCUR IN THE NOT-TO-DISTANT FUTURE.

FUNDING – HOW IT WILL ALL WORK

IF THIS PROPOSAL IS ADOPTED FUNDING FOR THIS PROPOSAL WILL COME FROM THE FOLLOWING SOURCES -

ASSESSMENTS FROM:

WAGES, EMPLOYEE AND

EMPLOYER CONTRIBUTIONS - 25.75%

INCOME FROM OTHER SOURCES - 3.35%

ESTIMATED PREMIUMS PAID

FOR DEPENDENTS - 3.49%

TOTAL ASSESSMENTS FROM

NON-GOVERNMENTAL FUNDING - 32.59%

FEDERAL & STATE

GOVERNMENT SUBSIDIES -

FEDERAL GOVERNMENT

(*\$3,500 PER CAPITA*) 56.18%

STATE GOVERNMENTS

(*\$700 PER CAPITA*) 11.23%

TOTAL FROM GOVERNMENTAL

FUNDING 67.41%

TOTALS FROM ALL FUNDING

100.00%

FUNDING – HOW IT WILL ALL WORK

(continued)

**ESTIMATED ANNUAL PREMIUM TO BE
PROVIDED FOR EVERY MAN, WOMAN
AND CHILD IN EACH INSURANCE GROUP \$ 6,230**

**THE ESTIMATED MONTHLY PREMIUM TO
BE PROVIDED FOR EVERY MAN, WOMAN
AND CHILD IN EACH INSURANCE GROUP \$ 519**

**ESTIMATED ANNUAL PREMIUM TO BE
PROVIDED FOR A FAMILY OF FOUR \$ 24,920**

A FINAL NOTE

WILL EVERYONE BE PLEASED WITH THE EFFECTS OF THIS PROPOSAL? DEFINITELY NOT! BUT, AT THIS POINT IN TIME, WHAT ARE OUR ALTERNATIVES? THE PROPOSAL WILL "HURT" THE LEAST AND REMOVE OUR GOVERNMENTS, BOTH FEDERAL AND STATE, FROM THE HEALTH CARE FUNDING CRISIS WHICH LOOMS IN OUR NOT SO DISTANT FUTURE AND PROVIDE HEALTH CARE FOR ALL.

WILL THERE BE ABUSES UNDER A NON-GOVERNMENTAL HEALTH CARE INSURANCE SYSTEM? DEFINITELY! BUT COMPARED TO WHAT WE HAVE NOW; COMPARED TO WHAT WILL RESULT IF NOTHING IS DONE; OR COMPARED TO THE ABUSES AND GROSS INEFFICIENCIES THAT WOULD RESULT IF A NATIONAL HEALTH CARE PLAN WERE ADOPTED AND OPERATED BY FEDERAL AND STATE GOVERNMENTS, POTENTIAL ABUSES UNDER THIS PROPOSED PLAN WOULD PALE IN COMPARISON.

IT IS IMPORTANT TO ALSO NOTE THAT IT IS NOT NECESSARY THAT THIS PROPOSED PLAN BE ADOPTED IMMEDIATELY ON A NATIONWIDE BASIS. INITIALLY, A SELECT GROUP OF INSURERS, HEALTH CARE PROVIDERS, EMPLOYERS AND EMPLOYEES, AS WELL AS OTHER INSURED MAY BE GIVEN INCENTIVES TO ENTER THE PROGRAM. OR, AS AN ALTERNATIVE, A SELECTED GROUP, REGION

A FINAL NOTE

(continued)

OR STATE(S) MIGHT ADOPT THE PLAN ON A TRIAL BASIS. THEN, AFTER A PERIOD OF TIME, THE RESULTS OF PLAN ACTIVITY MIGHT BE ANALYZED AND TWEKKED TO CORRECT ANY ABUSES AND OPERATIONAL DIFFICULTIES ENCOUNTERED.

*For further information for **employers**, health care providers and health care insurers, and the creation of a single payer type system, see YouTube Video # 2.*

For further, more detailed information, see "A Written Document Explaining All the Specifics of the Plan in Greater Detail".

A NOTE REGARDING EMPLOYERS THAT DO NOT PROVIDE HEALTH CARE INSURANCE FOR THEIR EMPLOYEES:

IT IS IMPORTANT TO ASK THOSE EMPLOYERS THAT DO NOT CURRENTLY PROVIDE HEALTH CARE BENEFITS TO THEIR EMPLOYEES, WHO PAYS FOR THEIR EMPLOYEES' MEDICAL CARE? – THE TAXPAYER DOES. IS IT FAIR FOR THE TAXPAYER TO BEAR THESE COSTS?