

Western Massachusetts

Health Access Network Notes



COMMUNITY PARTNERS, INC.

January 4, 2008
Jones Library – Amherst, MA

GUEST PRESENTATION Health Care Reform in 2008 – Where are we now? What happens next?

Nancy Turnbull, Harvard School of Public Health and
Health Connector Board member

Progress to Date

More than 350,000 residents of the Commonwealth now have health insurance, thanks in large part to the work you all do. This is particularly notable because the number of people with health insurance is falling nationally.

The state says 60,000-70,000 are still uninsured, but according the federal numbers we are only halfway to the goal. I don't agree with either. I use Blue Cross Blue Shield of Massachusetts Foundation/Urban Institute figures, which put the number of people uninsured prior to health care reform at around 500,000 people. This would mean we have reached about 60%. It's likely that we have not made affordable coverage available for 15-20%.

Consumer advocates have been successful. Policy decisions have gone for the most part in a reasonable way for consumers. Affordability schedule even was much better than it could have been and the individual mandate penalty costs less than many import legislators wanted it to be. The very broad-based coalition of groups that worked hard on the law is still together and that's not necessarily what I'd have thought back in April of 2006.

2008 Topics to watch

The December 31st enrollment deadline: it was real, but I think it's possible that there will be some discussion when people start filing taxes about how to handle people who signed up in December but had a January 1 effective date.

The individual mandate: when people file taxes, we will really know what public thinks of it, although outreach and enrollment workers have been getting a sneak peek. Now that the penalty schedule has been released, things are getting serious. Some people won't like it and will weather it; but I also think it's possible we'll have something approaching an insurrection. Look at what has happened when other major social changes took place: for example, seatbelts became mandatory in the '80's, talk show hosts didn't like it, and it was repealed just like that.

Financing: this is a huge issue this year. It's going to be a challenge because we have so many more uninsured people than we first anticipated. We're seeing enrollment numbers for non-premium paying Commonwealth Care plans that we didn't expect to see until the spring.

Medical inflation: All of the plans are saying they are experiencing losses under the Commonwealth Care program and will be proposing rate increases. There are also cost pressures for Commonwealth Choice. The Connector has asked plans to come up with increases of no more than 5%; meanwhile medical inflation is 12%.

Health Safety Net (HSN): When Commonwealth Care first came on the scene, use of the HSN fell. If doesn't continue to fall, it creates more financing pressure on Commonwealth Care.

Questions and Answers:

Q: Health insurance rates are going to continue to rise: is anyone looking 5 or 10 years down the road?

A: We're starting to have more serious conversations about quality and cost. Having just enrolled 300,000 people puts us in an interesting position politically. It kind of takes away the possibility of solving problems by capping programs or dis-enrolling people.

Q: Some people who may be eligible for CommonHealth and are above 150% FPL are enrolling in Commonwealth Care because it takes so long for a disability determination and they need coverage during that period. What effect does that have?

A: There are 1,000 or 1,200 people in premium-paying Commonwealth Care programs who would more appropriately be on CommonHealth. This may also be because of CommonHealth's asset spend-down requirement. The state would need permission from the federal government to address the spend-down issue; but having those people in CommonHealth would be better for both the individuals and the state.

Q: When new bids come in from Commonwealth Care plans, will people be moved between the lowest-cost plans, like they are with Medicare Part D?

A: There are folks on the Connector Board who are talking about that, but it seems unlikely.

Q: Is ending co-pays an option for Commonwealth Care?

A: There are two schools of thought about co-pays; one is that they are good and make us more cost-conscious consumers; the other is a concern that they create barriers to needed services/preventative care, especially for lower-income people. The Connector is deeply divided on this issue.

Q: Are any Connector-related plans involved in the trend to move people out of nursing homes and into community-based care? Can we get private health insurance plans to start covering services to keep people at home, and/or in the workforce – such as PCA services?

A: I don't think there is any hope private insurers will be mandated to cover it, but I think there are opportunities for collaboration with private employers – like having the state wrap around the services offered. I think private insurers sometimes don't realize how much they benefit from Medicaid.