

The Top Ten Facts about Massachusetts Health Care Reform

1 Massachusetts now has a 98% coverage rate, the best in the nation, by far. More than 400,000 Massachusetts residents are newly insured. Nearly all children (99.8%) and seniors (99.6%) have health insurance. Furthermore, racial and ethnic disparities in health coverage have been significantly reduced.

2 Popular support for the law remains high, ranging from 59% to 75% in independent polls. Even in the midst of a polarizing debate over national health care reform, strong public and bipartisan support has been sustained.

3 Access to care has improved in Massachusetts. A fall 2008 survey by the Blue Cross Blue Shield of Massachusetts Foundation and the *Boston Globe* found that more than 90% of individuals reported having a primary care provider, and only 5% said there was a time in the past year that they needed medical care, tests or treatment that they did not get. Access to care is far better in Massachusetts than nationally. For instance, in 2007, about 20% of the U.S. population reported not getting or delaying needed medical care at some point in the previous 12 months.

The supply of primary care physicians is a national problem, and Massachusetts reform has stimulated creative approaches to further improve access. In 2008, the private sector, with some state contribution, developed a loan repayment program for physicians and nurses who make a two- to three-year commitment to practice primary care in a Massachusetts community health center. Some 110 primary care clinicians, able to care for more than 160,000 patients, have been recruited or retained because of this incentive program. Additionally, the state's decision in 2007 to allow carefully regulated development of primary care nursing services in commercial pharmacies and other settings is also expanding access for minor ailments.

4 Health care reform in Massachusetts has not been a budget buster. Independent analysis by the Massachusetts Taxpayers Foundation concurs with state data showing the cost of the law has been relatively modest, with increased net spending in FY 2010 accounting for just over 1 percent of the state budget. The state has held the line on rates in both MassHealth and Commonwealth Care, with trends far below the experience in the commercial market. Moreover, nearly half of Commonwealth Care members pay premiums for their coverage.

5 Since health reform, more employers are offering coverage to their employees, bucking the national trend. In 2009, 76% of Massachusetts employers offered health insurance, up from 69% in 2001 in contrast the national trend which has seen employer offerings drop from 68% in 2001 to 60% in 2009. The dominant form of coverage in the state remains private insurance. In the midst of the worst recession since the Great Depression, public sector coverage has predictably increased. But these individuals have not lost coverage - a strength of the Massachusetts model. As more people return to the workforce, reliance on public sector insurance will decrease.



*Matt McGinity, small business owner
Business Express member*

6 Massachusetts health reform provided the model for national reform. Like Massachusetts, the new national law calls for the formation of Exchanges. The Health Connector's tiering system, which offers consumers a choice of gold, silver or bronze coverage, was also adopted in a slightly expanded way. Like Massachusetts,



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the national law sets minimum coverage standards and will include benefits like elimination of pre-existing condition exclusions. A number of the benefits in the Massachusetts law are enhanced under national reform, most notably extension of subsidy assistance for individuals from 300% to 400% of the federal poverty level, extension of federally-subsidized coverage to legal immigrants and extension of insurance protections to self-funded private coverage.

7 The individual mandate has worked fairly and effectively to expand coverage in Massachusetts. Some 97% of the taxpayers are complying with new health reform filing requirements. Furthermore, the Health Connector's appeals process, which rules on hardship exceptions, has been fair to taxpayers, with a 60 percent approval rate for those who follow through with an appeal.

8 As a result of the merger of the small- and non-group markets, individuals who had a hard time finding affordable coverage now can. Their premiums for comparable coverage dropped on average about 20% in 2007 right after passage of the law. This is significant progress in a market that had typically experienced double-digit annual premium increases. A Massachusetts Division of Health Care Finance and Policy report found that, as of March 2010, individual, non-group coverage grew by 75,000 individuals since reform, with 30,000 purchasing through the Health Connector's Commonwealth Choice program.

9 Massachusetts has been proactive in helping small businesses. Earlier this year, Governor Patrick proposed a series of initiatives that led to lower premiums for small businesses, including denying rate increases proposed by health insurers. This led to negotiated rates and lower costs for employers. Other Administration and legislative initiatives were included in a comprehensive small business health care cost containment law. While not the ultimate solution to rising premiums, these actions were significant steps forward.

In February of 2010, the Health Connector launched the Business Express program which gives small employers the ability to make apples-to-apples comparisons of plans and benefits and pick the one that is right for them and their employees, potentially saving money. The Legislature also recently created the Small Business Wellness Incentive Program that will provide some small employers with a subsidy if their employees participate in a wellness program offered through the Health Connector. This incentive program, which will become effective July 1, 2011, enhances the small business tax credit program available through national reform.

10 Massachusetts is taking on the challenge of cost containment. Progress has already been made through the enactment of two comprehensive cost containment bills since health care reform. Moreover, a commission made up of leaders from state government, providers, insurers and other experts unanimously endorsed a groundbreaking blueprint to reward value instead of volume when it comes to paying for health care. As noted by Nobel Prize-winning economist and New York Times columnist Paul Krugman: "So, where in America is there serious consideration of moving away from fee-for-service to a more comprehensive, integrated approach to health care? The answer is: Massachusetts." (NYT 7/23/09) As a first step toward comprehensive payment reform, Governor Patrick filed legislation on February 17, 2011.



Commonwealth Health Insurance Connector Authority
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