

## **Universal coverage is the goal**

**By DAVID KIBBE, Cape Cod Times**

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BOSTON - The Massachusetts Legislature is laying the groundwork for the largest expansion in health care to the poor in a decade. If lawmakers meet their goal, it would virtually guarantee that every citizen in the state has private insurance, or is enrolled in the state's Medicaid program.

The sticking point is how the state will pay for it.

"I think there's a real desire to do something," said Sen. Robert O'Leary, D-Barnstable. "The one thing that still remains a little bit up in the air, is everybody recognizes that no matter what we do, this is going to cost more money. In health care, when you even start talking about small changes, the dollars are in the millions, and even in the tens of millions."

Massachusetts, which has a population of 6 million, has 460,000 uninsured residents, up nearly 7 percent in two years.

Already, health care takes up more than one quarter of the state's \$23 billion annual budget.

The Massachusetts Health Care Reform Coalition, a group of labor and health-care advocates, wants to hike the cigarette tax by 50 cents and charge a special payroll assessment to businesses that do not provide health insurance plans to employees to help pay for an expansion pegged at \$350 million to \$550 million.

"We certainly hope it will get us closer than we are right now," said John McDonough, of Health Care for All, which worked on the plan.

Gov. Mitt Romney and the state's major business groups object to the cigarette tax hike, as well as any mandate that requires employers to provide health coverage.

"Gov. Romney wants to work with any members of the Legislature, or an organization that is interested in improving access to health care," said Romney's spokeswoman, Shawn Feddeman. "In terms of the specific proposal, we haven't seen all the details at this point, but new or higher taxes and costly mandates on business should not be part of our health-care reform efforts."

In a separate proposal, Romney would offer incentives for businesses to provide employee health insurance. Those that don't could be forced to pay a higher minimum wage or blocked from state contracts. Romney has said they could

even be required to put a sticker in their window saying they don't provide health coverage.

Romney also wants to let insurance companies offer stripped-down, lower-cost plans to make them affordable. He proposed holding down medical costs by managing care through community health centers. He said the state can achieve full coverage without a major increase in state spending.

### **Different plans, same goal**

The debate over health care is expected to be intense. Senate President Robert Travaglini, D-Boston, has pledged to cut the number of uninsured in half within two years. Travaglini has yet to release his plan, but he called the number of the state's uninsured "an economic and moral failing," in a speech before Blue Cross Blue Shield in November.

House Speaker Salvatore DiMasi, D-Boston, also supports the goal of expanding health care next session.

Blue Cross Blue Shield and the Urban Institute are also working on a "roadmap" to provide full coverage in the state. The plan is not expected to be completed until next spring, but it could play a major role in the legislative debate.

"Don't expect anything to happen fast," McDonough cautioned. "We anticipate that this conversation and process will last well into 2006, and there is a lot to figure out."

The Massachusetts Health Care Reform Coalition would expand MassHealth, the state's Medicaid program, to all families with an annual income under 200 percent of the federal poverty level, or under \$38,000 for a family of four. It would restore dental coverage and eyeglasses, which were cut from MassHealth in 2002.

McDonough was critical of the governor's proposal, which suggests the state could cover all its citizens without new state spending.

"There is no experience in the federal government or the state where a major expansion in health coverage has been implemented and successful for free," McDonough said. "If they could point to one, I'd love to see it, but I've been watching this for 20 years."

The legislation that McDonough backs, called the Health Care Access and Affordability Act, was filed by Sen. Richard Moore, D-Worcester, the chairman of the Health Care Committee.

Rick Lord, of Associated Industries of Massachusetts, likes some of Moore's proposals, but still objected to employer mandates.

"The governor hasn't filed a bill yet, but conceptually, we like what he's suggesting, which is try to provide opportunities for employers to purchase lower-cost health insurance," Lord said. "We like the fact that the governor doesn't want to impose an employer mandate. I think it's just very difficult for one state to put a mandate on employers that doesn't exist anywhere else."

### **"Acute" problem on the Cape**

The debate over health insurance sometimes obscures the progress the state has made.

Massachusetts has the sixth lowest rate of uninsured residents in the nation, at 11.8 percent, according to a study of census data by the Kaiser Family Foundation in Washington. Minnesota was the lowest, at 9.3 percent. The other states ahead of Massachusetts ranged from 11.4 percent, in New Hampshire, to 11.7 percent, in Hawaii and Wisconsin.

Texas and New Mexico have the highest rates of uninsured residents at 25 percent and 22 percent, respectively, while the rate for the United States, as a whole, is 16 percent.

Everyone agrees more needs to be done to get eligible people to enroll in Medicaid. Of the 460,000 Massachusetts residents who do not have health insurance, as many as 75,000 may be eligible for Medicaid coverage but haven't enrolled, according to the state Division of Health Care Finance and Policy. Romney recently put the figure of uninsured but eligible at more than 100,000 people.

The state study found that 68 percent of uninsured adults under the age of 65 were working, but still did not have health coverage because they worked for themselves or at small businesses that did not offer insurance.

O'Leary thought the problem of the working uninsured was particularly acute on the Cape. Barnstable County's 2001 Human Condition survey estimated 21,000 people - 10 percent of the Cape's population - were uninsured. The number is now believed to be closer to 35,000. Statewide, 7.4 percent of the population is uninsured.

"I think we have the highest numbers in the state," O'Leary said. "We don't have a lot of big employers. A lot of small businesses can't afford those policies. A lot of people work two and three jobs that don't provide health insurance."

Patients who don't have Medicaid, Medicare or private insurance still get treated in the state's emergency rooms, often with more severe problems than if they had been getting regular medical attention. The cost of the "free-care pool" is shared by taxpayers and the health-care industry.

Cape Cod Healthcare, which runs Cape Cod Hospital and Falmouth Hospital, provided \$16 million worth of free care last year, and only got \$1.4 million reimbursed by the state.

The financial burden often falls on the hospitals or is absorbed through the rates charged by hospitals to private insurers, who then pass the cost on to consumers, health experts said.

"We would be in favor of any legislation that really reimburses hospitals more fairly for the services we provide," said David Reilly, a spokesman for Cape Cod Healthcare. "All hospitals are increasingly challenged by the growing number of uninsured people in the state and the cost that is subsequently incurred when hospitals care for uninsured people."

To make things worse, the state is currently fighting a \$600 million proposed cut in its federal Medicaid share under a new interpretation of the law. With or without that money, O'Leary doubts the state will be able to solve all its health-care woes in the next two years.

"Some of it will happen here," O'Leary predicted. "It will be a question of how much and how much it will cost. It clearly won't be enough when all is said and done. We won't have enough money to do what we want to do, which is to provide universal health care."

The Legislature also faces a second and final vote next year on whether to put a question mandating universal health care on the state ballot in November 2006. The joint session of the House and Senate, meeting in Constitutional Convention, gave the initiative petition overwhelming initial approval last summer.

Under a legislative compromise, if the ballot question passes, the state would work out a financing and health-coverage plan and put it back to the voters in November 2008.

Barbara Roop, the co-chairwoman of the Healthcare for Massachusetts Campaign, said the early proposals for health insurance at the Statehouse were encouraging. She said only a constitutional amendment would guarantee that they would not be rolled back later.

"The function of the constitutional amendment is, on the one hand, to make sure the final step is taken if you don't get all the way to universal coverage in this session," Roop said. "It's also there to make sure it isn't repealed or underfunded. The history of Massachusetts in that regard isn't particularly good."