A Discussion on State-based Healthcare Reform

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Healthcare Reform Defined

- At first, the idea of healthcare reform focused centrally on providing insurance coverage for all Americans.

- Today, the dialogue includes coverage AND the idea of cost containment through the improved value and quality of services provided.
According to a recent Kaiser study, 42 states now have some plan to expand access.
Viable solutions exist for EVERY State:

- Expansions of coverage
- Chronic disease management
- Insurance market reform
- Pay for performance
- Better managed care
- Long term care reform
- Health IT
- Savings through improved quality
- Incentives for healthy behaviors and personal responsibility
Bi-Partisan Consensus is Achievable...

- Democrats
  - Reduce the number of the uninsured

- Republicans
  - Non-traditional Medicaid expansion
  - Subsidies for the purchase of a private insurance product
  - Personal responsibility
What States Are Doing…

General Approach
- Extend limited benefit to adults not eligible for Medicaid
- Cover physical and mental health (at times with carve-out)
- Require cost sharing, premiums >150% FPL and co-pays
- Provide insurance through Employer Sponsored Plans (ESI) or core, basic benefit
Specific Examples
- Massachusetts – Coverage for alcohol, drug abuse and mental health services
  - Commonwealth Care (<300%) – Medicaid level of services through managed care plans; Copays - $10 office, $50 IP
  - Commonwealth Choice (>300%) – State mandated services; Copays - $20 office, $250 IP
What States Are Doing...

Specific Examples
- Pennsylvania – Proposed coverage for mental health & substance abuse
  - Psychiatric Inpatient & Outpatient/partial hospitalization
  - Detoxification, non-hospital rehab, Outpatient/partial hospitalization
- Texas – In development, goals include coverage for mental health services
  - Inpatient hospital
  - Outpatient – to avoid inpatient
Opportunities to Strengthen MH/SA...

- Leverage existing uninsured data to identify needs and establish evidence-based coverage for reform

- Build adequate treatment, prevention, and recovery for mental health and addiction into components of state-based reform platforms through:
  - Managed care
  - Wellness and healthy behaviors
  - Chronic disease management

- Use quality indicators to identify and incorporate adequate mental health and addiction treatment into public and private health care plans
  - Quality Forum
  - Medicare and Medicaid
  - Large Employer Purchasing
Who Is At The Table...

- Governor
- Legislature
- Hospitals
- Doctors
- Insurers
- Consumers
- Insurance brokers
- Pharmaceutical companies
- Federal Government
- Local government
- Health delivery system
- Financing
- Big businesses
- Small businesses
- Long Term Care
- Unions
Discussion

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