



Commonwealth of Massachusetts
Department of Public Health

Helping People Lead Healthy Lives In Healthy Communities

Health Care Reform in Massachusetts: *The Role of Public Health*

*ASTHO-NACCHO Conference
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John Auerbach, Commissioner

The Massachusetts Law: Why So Much Attention?

**Ambitious goal:
Near universal
coverage**

PATHWAYS TO PUBLIC HEALTH INSURANCE COVERAGE
FOR MASSACHUSETTS RESIDENTS



How Will We Get There?

- Medicaid expansions and restorations
- Subsidized coverage for low-income adults
- Changes to the insurance market to help individuals and small businesses
- Individual mandate
- Employer responsibilities (for firms with ≥ 11 employees)

Everyone got something...

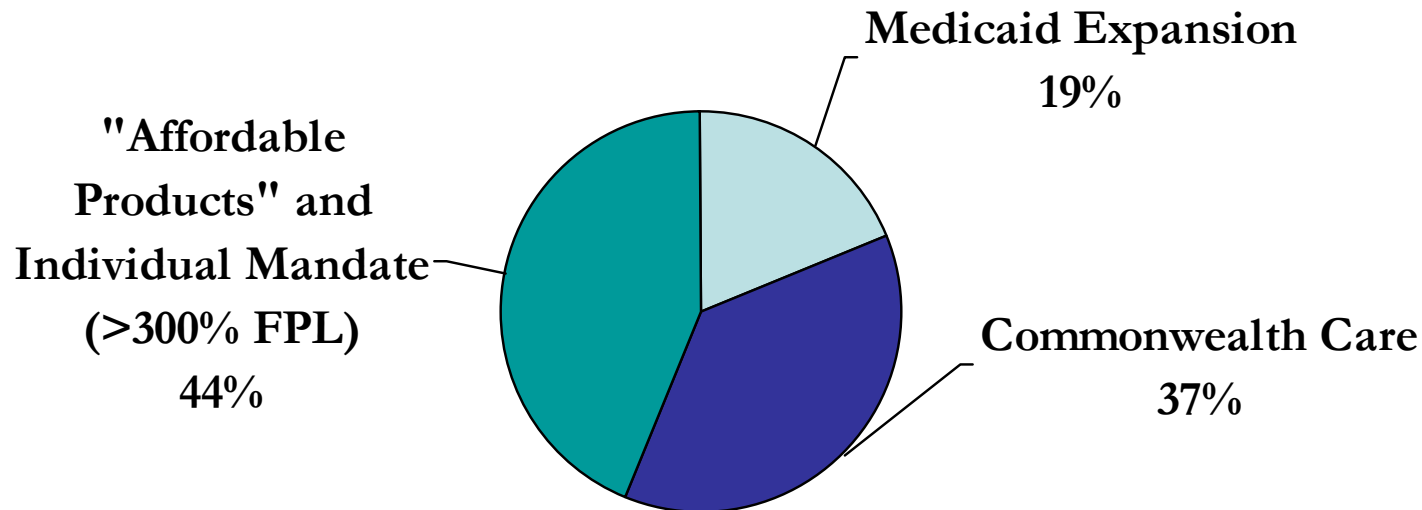
- **Consumers:** Medicaid expansion, subsidies, employer responsibility
- **Providers:** Medicaid rate increases
- **Business:** Lower assessment than might have otherwise been, sets no precedent since based on pool, individual mandate, expanded subsidies for small employers and their low-wage workers
- **Insurers:** New potential members, young adult products, individual mandate

And traded something off...

- **Consumers:** Individual mandate, potential for increased cost sharing
- **Providers:** More pay for performance, less money than they wanted (but still a LOT)
- **Business:** More assessment than they wanted
- **Insurers:** Subsidized plans limited to current Medicaid managed care organizations for the first three years, less flexibility on benefit design than they wanted

Massachusetts Health Reform: How Do the Pieces Fit Together?

**Percent of State's Total Uninsured Targeted by
Different Aspects of Law**



Not Just Coverage

- **Quality and Cost Council established to set new policies** – first year goals:
 - Reduce the annual rise in costs to no more than unadjusted growth in GDP by 2012
 - Promote quality improvement through transparency
 - Establish a chronic disease blueprint
- **Disparities Council created to focus on inequity in health**
- **Medicaid charged with developing pay for performance**

Public Health Given Certain Roles

- **Public health/prevention funding increased** – with focus on increases in vaccination, chronic disease control, tobacco use reduction and more
- **Public Health charged with major initiative on diabetes prevention and control and development of a chronic disease blueprint**

And Other Roles for Public Health as well

- **Outreach to the highest risk populations** – utilizing our contracts with community agencies to inform and enroll them in the insurance programs
- **Looking for indications that health care reform has an impact on health itself** – Searching all possible data bases for evidence that health status improves with reform

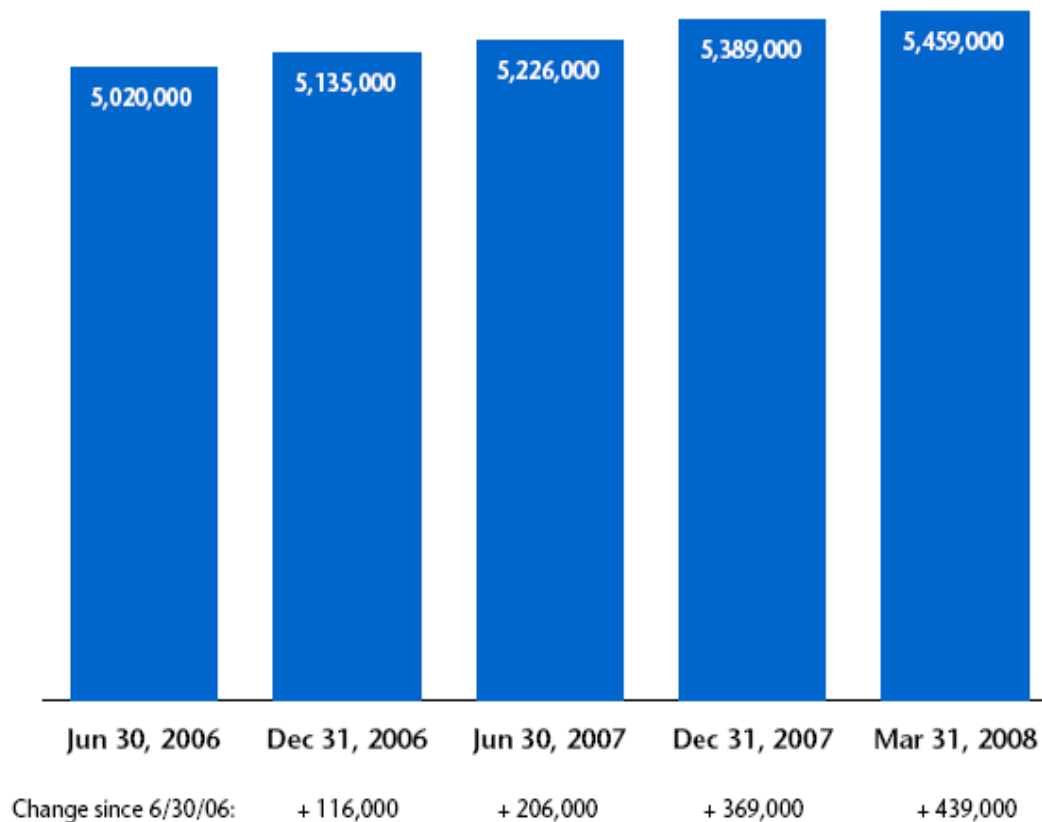


The Results:

After One Year...

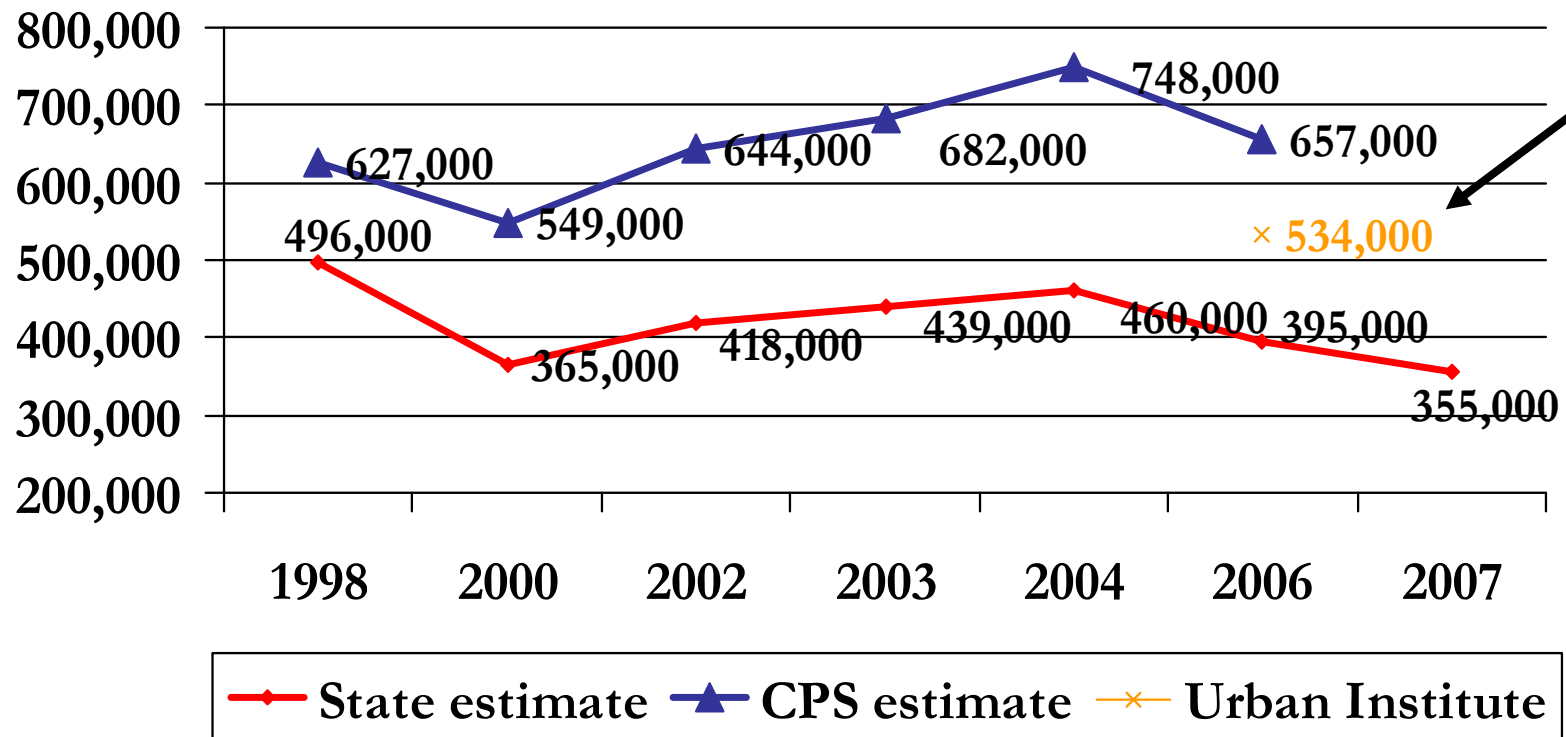
People with Health Insurance

Excludes Medicare Enrollees



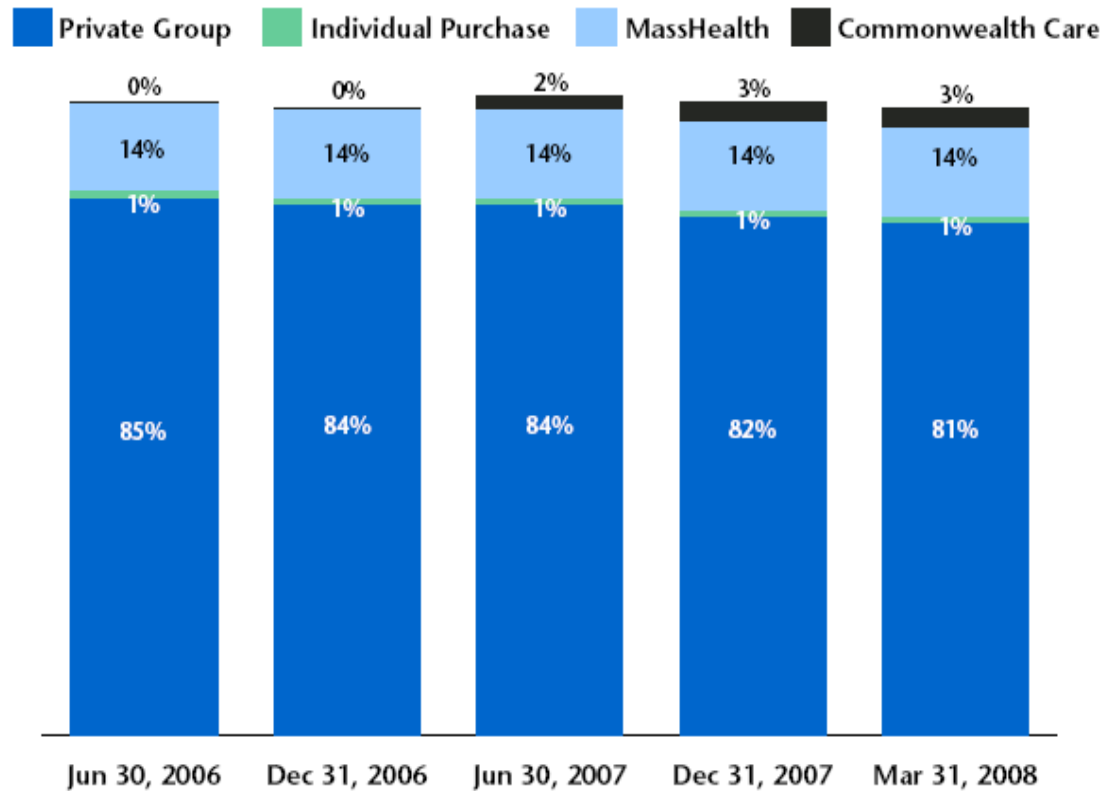
The number of people enrolled in private or subsidized health insurance plans has increased by 439,000 people since health care reform was implemented.

Where We Started in 2006: Uninsured In Massachusetts



Sources: "Health Insurance Status of Massachusetts Residents," 1998, 2000, 2002, 2004, 2006 Massachusetts Division of Health Care Finance and Policy. BCBS Foundation/Urban Institute, Census Bureau.

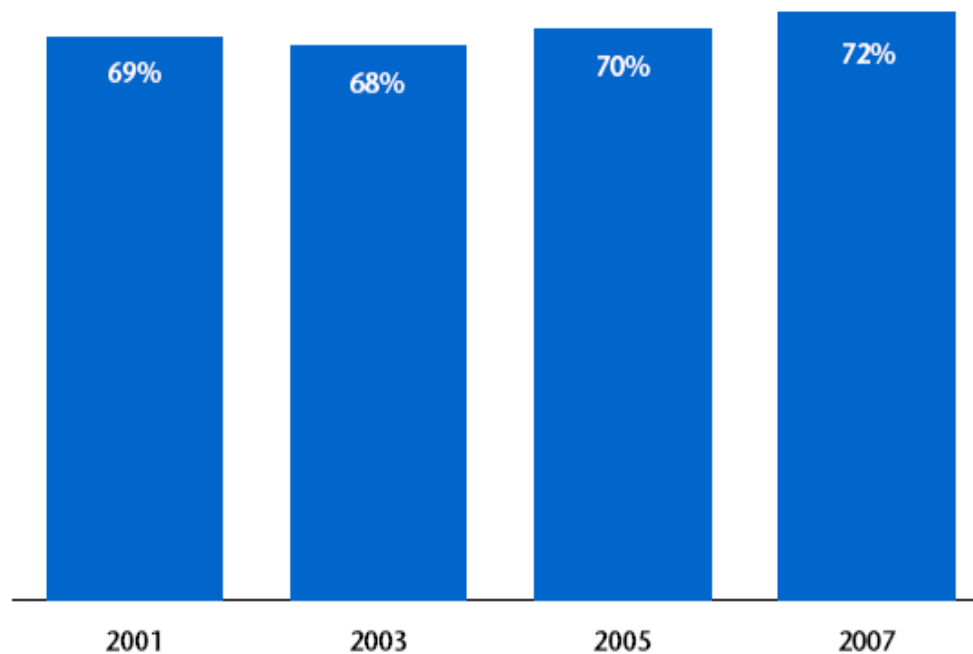
Insured Population by Type of Insurance Excludes Medicare Enrollees



Since the implementation of health care reform, enrollment in private insurance has grown by more than 191,000.

	Jun 30, 2006	Dec 31, 2006	Jun 30, 2007	Dec 31, 2007	Mar 31, 2008	Change Since 6/30/06:
Number of Members (rounded to the nearest 1,000):						
Private Group	4,274,000	4,338,000	4,378,000	4,405,000	4,433,000	+ 159,000
Individual Purchase	40,000	39,000	36,000	65,000	72,000	+ 32,000
MassHealth	705,000	741,000	732,000	760,000	777,000	+ 72,000
Commonwealth Care	0	18,000	80,000	158,000	176,000	+ 176,000
Total Members	5,020,000	5,135,000	5,226,000	5,389,000	5,459,000	+ 439,000

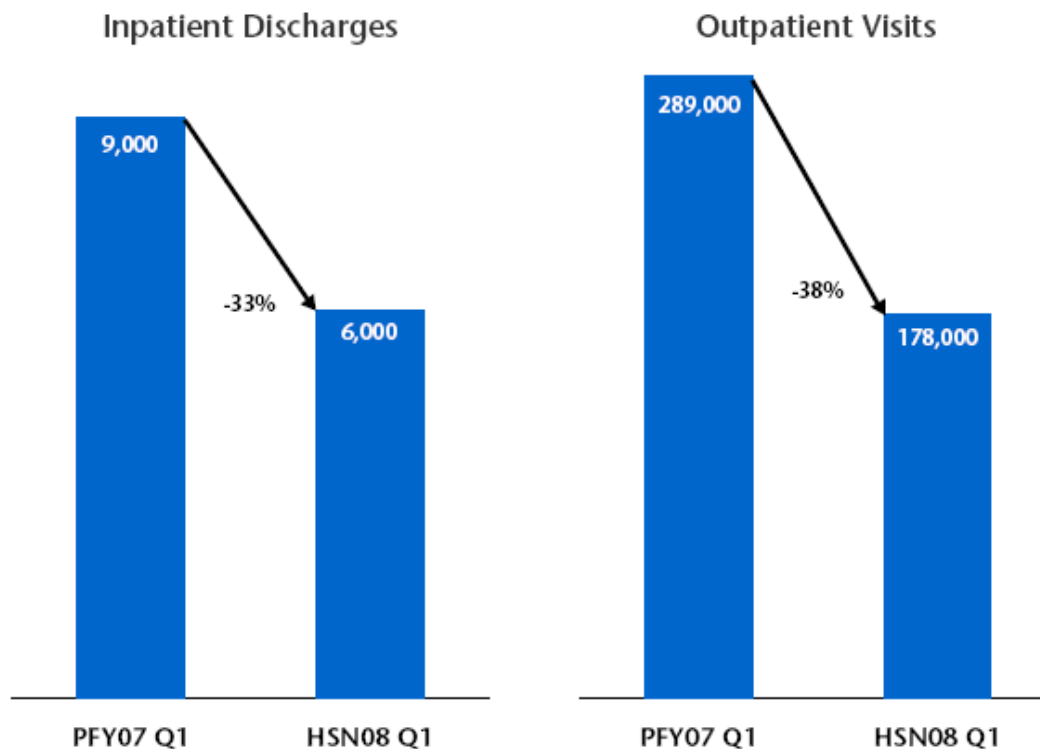
Employers Offering Health Insurance Percent of Employers



Nearly three-quarters of Massachusetts employers offer health insurance to their employees. The Massachusetts employer offer rate has held steady, even as the employer offer rate declined nationally from 68% to 60% between 2001 and 2007, as reported in the Kaiser/HRET survey.

Hospital Volume

Inpatient Discharges and Outpatient Visits



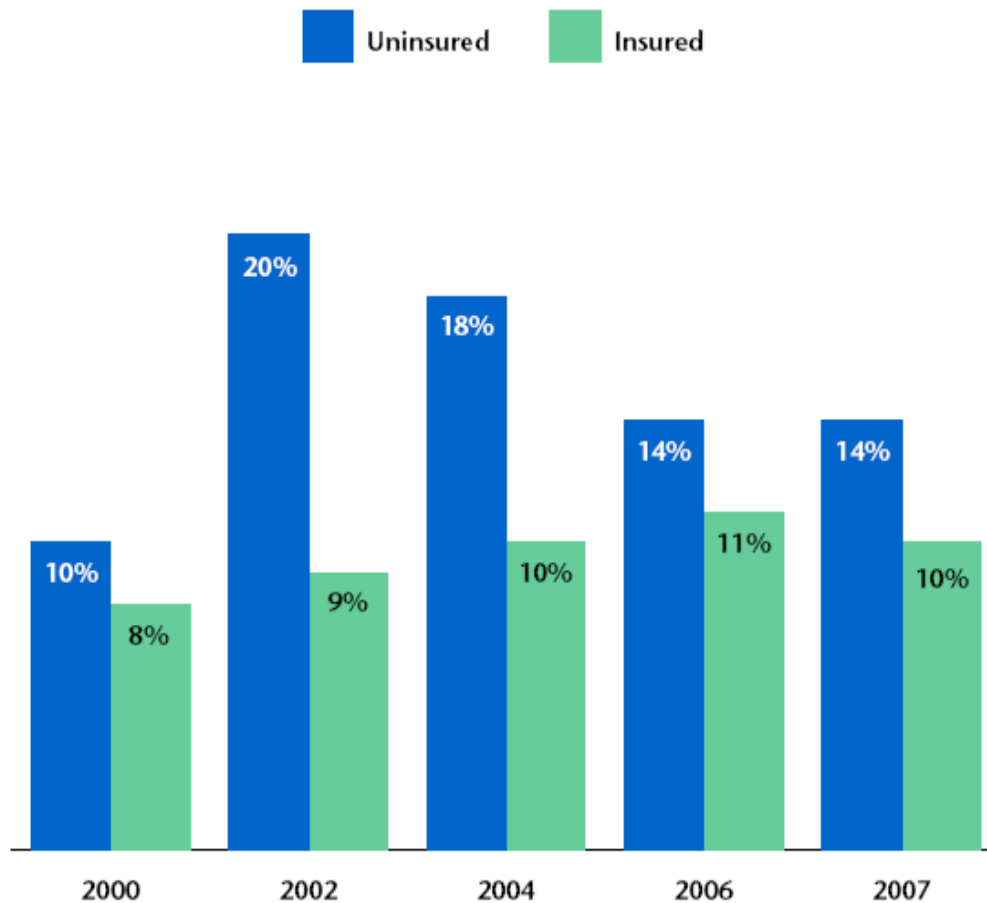
The total number of hospital inpatient discharges and outpatient visits billed to the Health Safety Net in the first quarter of HSN fiscal year 2008 declined by approximately 38% overall compared to the same period in the prior year of the Uncompensated Care Pool.



**What does this have to do with
Public Health?**

Reported Being in Fair or Poor Health

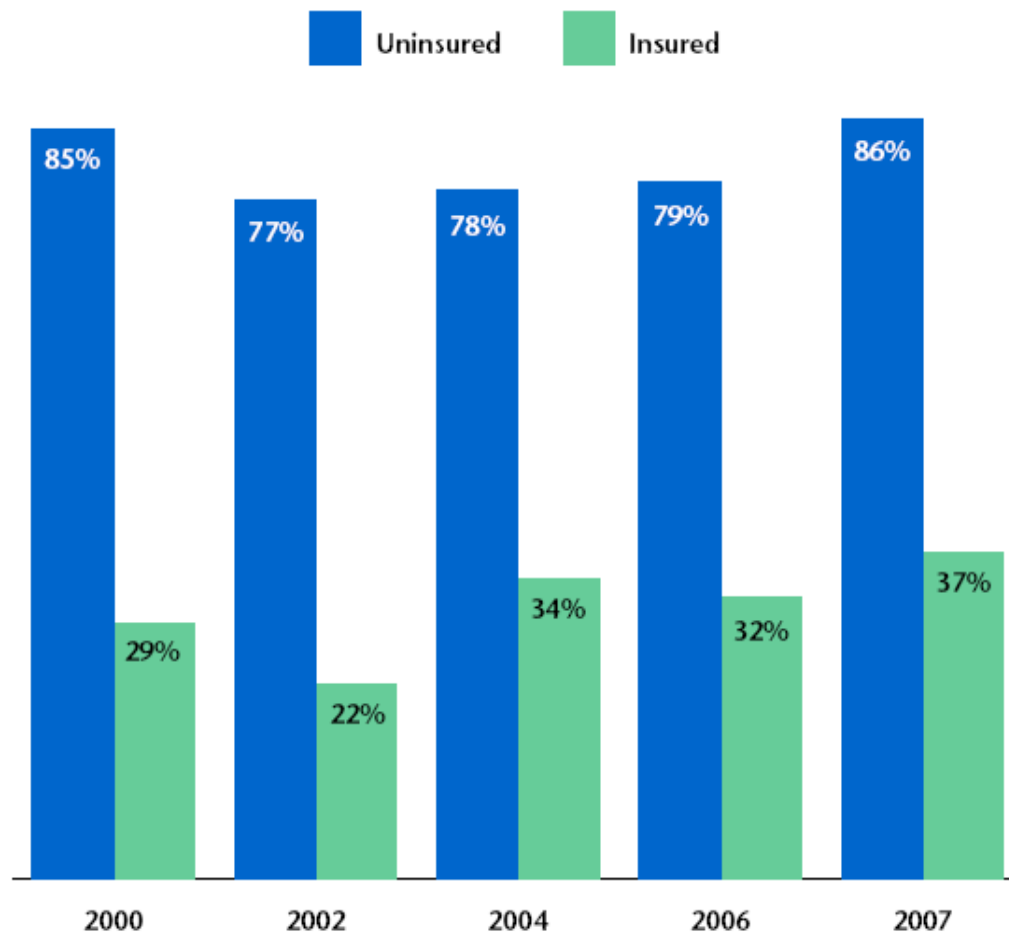
Percent of Adults Ages 19 to 64



Most Massachusetts residents surveyed, both insured and uninsured, reported being in good or excellent health.

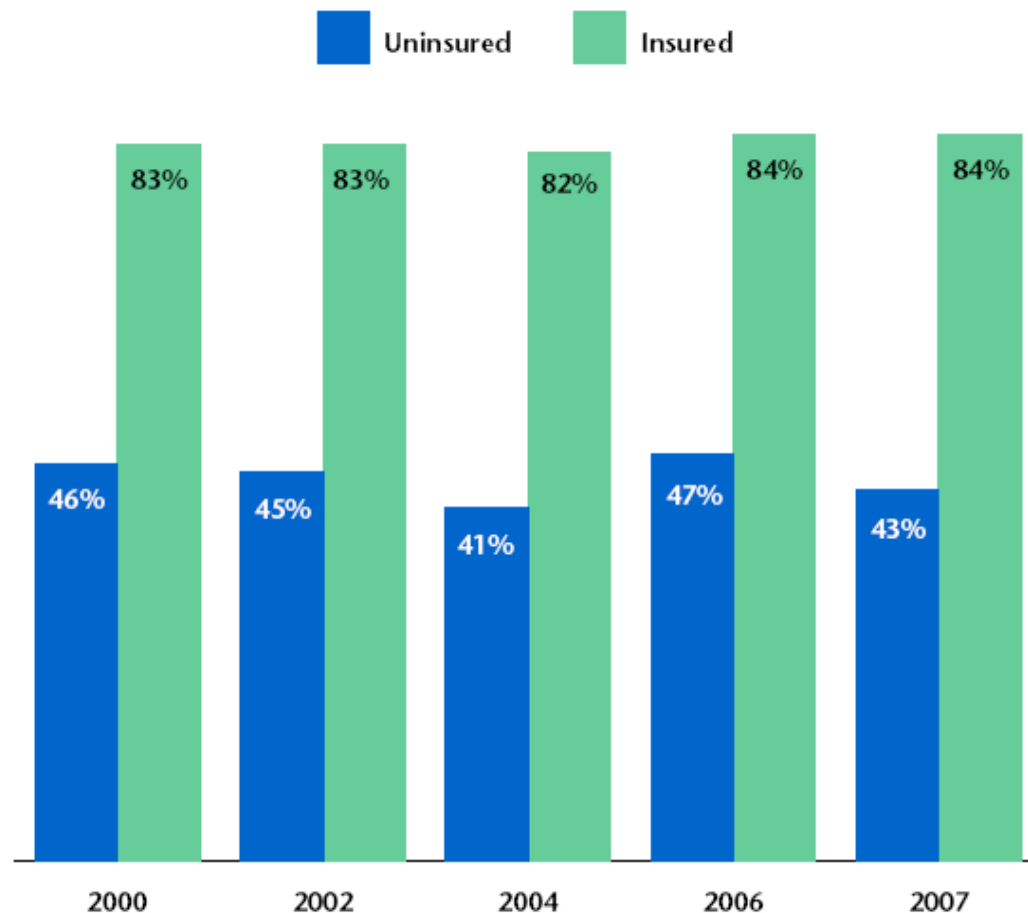
Needed Care but Cost Was an Obstacle

Percent of Adults Ages 19 to 64



Cost appears to be a growing obstacle to accessing health care for Massachusetts residents and remains a significant barrier for most people without health coverage.

Reported Having a Dental Visit in the Past Year, Percent of Adults Ages 19 to 64



Only 43% of uninsured Massachusetts residents reported getting dental care in the past year compared to 84% of those with insurance coverage.

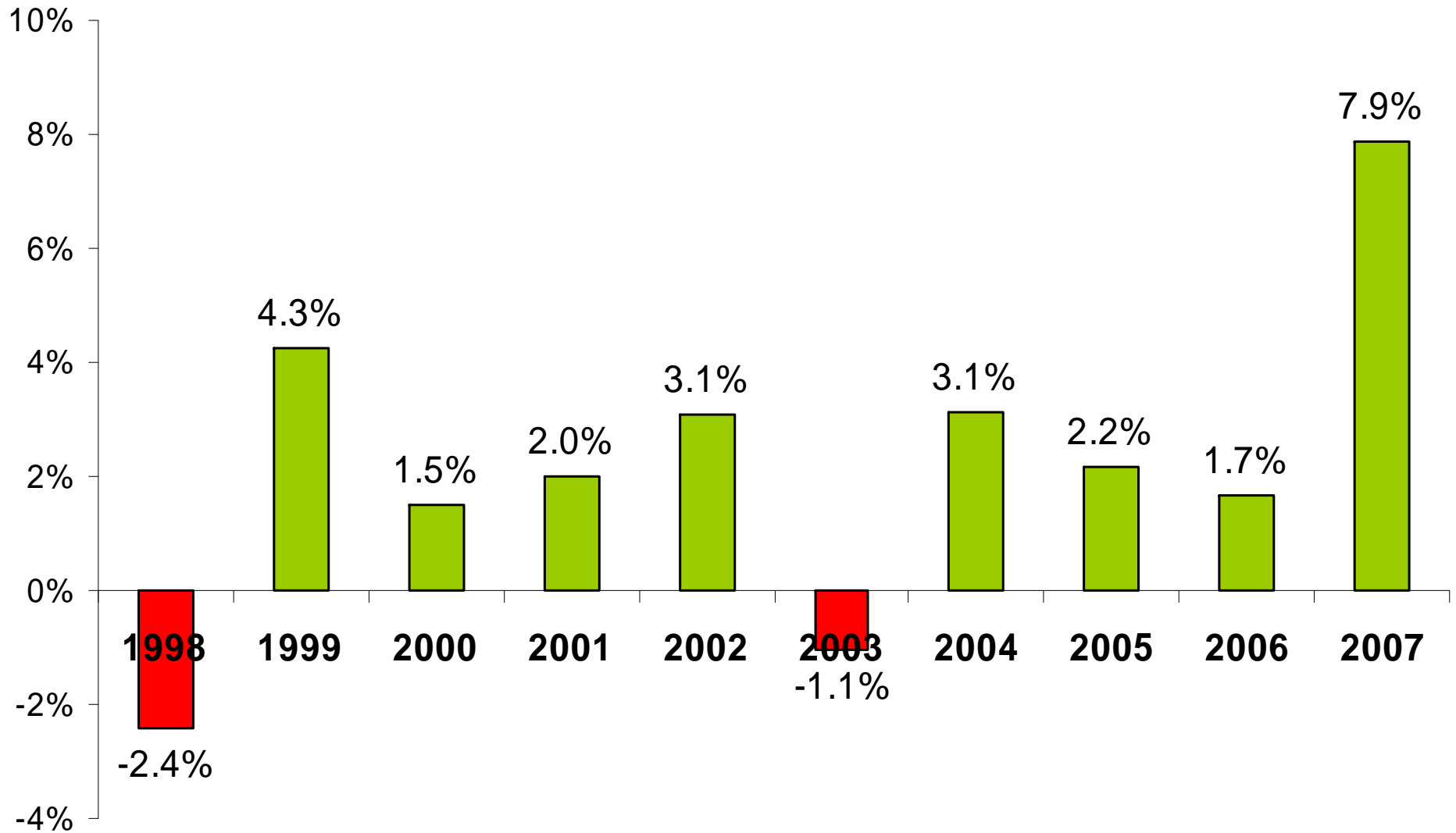
Evidence that reform is improving health *Changes in the first year of implementation*

- Flu vaccinations rose 3% for 19-64 year olds at primary care sites as new patients see primary care doctors – in a year DPH cut adult public health vaccine doses
- Colonoscopy rates increased 6% in one year among the recommended age group as newly insured 50+ year olds get referrals for screening
- And...smoking rates sharply decreased at a rate not seen in many years

Data Source: Massachusetts Behavioral Risk Factor Surveillance System

Percent Drop in Smoking Prevalence

Massachusetts, 1998 - 2007



Late Breaking News

- In July, 2008, the Legislative passed a sweeping new bill: Health Care Reform – Part 2 with focus on cost containment, transparency and efficiency
- Public Health is assigned the largest number of new tasks in this bill

Regulations to be Promulgated by Public Health Council

- **Reporting on Quality Measures:** Requires regulations for the reporting of Hospital Associated Infections and Serious Reportable Events
- **Enforcing use of electronic medical records -** Mandates regulations that require hospitals and health centers have electronic health record systems
- **Increasing the controls on new construction -** Mandates regulations requiring a Determination of Need approval process for large outpatient capital projects (previously deregulated)

DPH charged with enforcing a Gift Ban

Aims to limit drug companies influence on MDs

- Bans certain meals, recreational events, sponsorship, travel, lodging, grants if no educational program
- Requires submission of report of any benefit above \$50 to anyone in health care – publicly released
- Requires pharmaceutical/medical device manufacturing companies to submit training program, investigation policies, compliance contact and proof of compliance with marketing code.

To Compensate for Gift Ban *DPH Funded to Start Drug Detailing Program*

- The department is charged with developing, implementing and promoting *“an evidence-based outreach and education program about therapeutic and cost-effective utilization of prescription drugs for physicians, pharmacists and other health care professionals.”*
- \$500,000 provided to support this activity

Health Care Workforce Center

- The department has been mandated to establish a health care workforce center to address MD and RN shortages
- DPH receives \$850,000 to establish center, with \$500,000 earmarked for a loan repayment program

Lessons

Public Health can have an important role in health care reform initiatives but we may have to fight to get to the table...

and struggle to define the role.

Other Lessons

- The roles are determined by the specific features and conditions of reform and may change over time
- Some of the roles are obvious and consistent with tradition (e.g. surveys, regulations, outreach) and some may involve breaking new ground (e.g. cost containment, gift bans)
- Health care reform may lead to an expansion on the scope of public health and increased resources