

Testimony for Senate Committee on Public Health, Welfare and Safety

Regarding House Bill 526, "An Act Authorizing an Interstate Health care Compact; and Directing the Governor to Join the Compact"

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Jeff Lowe

Hamilton, Montana

The debate regarding the cost and control of healthcare in this country has dominated our nation for several years and may not subside for many more years. There have been many competing plans, ideas and directions and the aforementioned bill, Montana HB 526, offers an opportunity for the State of Montana to enter this discussion as a stakeholder and not merely another jurisdiction designed to implement federal policy.

This Healthcare compact allows for the several states, utilizing federal block grants, determined by apportionment formulas for Medicaid and Medicare, to implement healthcare programs that meet the needs of their specific populations.

It is this particular issue that I wish to address today. The Patient Protection and Affordability Act (Act) creates a program estimated to cost 614 Billion dollars over the next 10 years<sup>1</sup> and would create an additional level of bureaucracy at the Federal level.

Some may argue about the motivation of the Federal government, but I question their ability to promote a healthcare system that accurately serves the citizens of Montana. Montana is a rural state with less than a million inhabitants<sup>2</sup>, we are spread over 147,000 square miles. We have much more in common with Alaska, Wyoming and the Dakotas in regards to unique healthcare issues than anyone in Virginia or Maryland would ever understand. With 45 of our 56 counties designated by the federal government as suffering an "acute shortage of physicians"<sup>3</sup> do we really need a federally mandated program that spends resources that we could be using to recruit healthcare providers to our state?

The Population of Montana is turning gray. Do we need to expend valuable time emphasizing "healthy kid"<sup>4</sup> programs when we already have an infrastructure for providing low cost insurance coverage for children and adolescents?

While the federal program addresses aspects of urgent care, hospice care, emergency medical services, physical therapy, prescription assistance, surgical services, pre-natal care and a host of other types of services it doesn't address the fact that according to the Attorney General of Montana, our state only has 22 hospitals that service both "charity care" and the "community benefits" type services emphasized in the Patient Protection and Affordability Act<sup>5</sup>. What the report fails to address is that the

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Congressional Budget Office December 19, 2009.

<sup>2</sup> <http://quickfacts.census.gov/qfd/states/30000.html>

<sup>3</sup> <http://www.rcac.org/doc.aspx?714&cat=800089302&i=52>

<sup>4</sup> <http://hmk.mt.gov/>

<sup>5</sup> <http://www.doj.mt.gov/consumer/consumer/hospital/hospitalreportoverview2010.pdf>

vast majority of these hospitals service the western third of Montana, while the state population east of Billings face a drought of full-service hospitals and healthcare providers.

Montana is a unique state, with its own unique problems. Federal healthcare policies that might be a "good fit" for New York, California or Florida are likely to burden our state with additional paperwork, and expenditures that make little sense for an area with a 20<sup>th</sup> of the population.

Many of the people of Montana are small business owners and I would encourage each member of this committee to support this compact in an effort to create an environment where the entrepreneurs in Montana don't have an additional burden placed on them by the federal Act.

A final point: The Federal government does not operate using an "economy of scale. In my opinion, they operate on an inverse scale where the larger the program the less responsive it is to the needs of the people that program is intended to serve. Case in point, the federal management of the wolf populations in Idaho, Wyoming and Montana. The people of these three states have a clear idea on how to manage this population using the North American conservation model, but issues at the federal level, brought up by parties who don't live in any of these states has created an issue that does not serve the needs of the people.

Healthcare is a serious issue, the quality of which determines life and death for many Americans. I urge the members of this committee to endorse sending this bill to the Senate for a vote. This move on your part will show the people of Montana that we can be part of a solution to a serious problem, that the several states, acting in a lawful manner can relieve the burden of healthcare reform from the Federal government and we can all work together to find a way to make this system more responsive to the needs of our people.