

Suggested Outline for Final Report on HJR 48 Study:

(Introduction, Suggested Section Reports, Study Plan -- for review)

Facing the Gordian Knot of Health Care Reform (Without a Scalpel In Sight)

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House Joint Resolution No. 48, sponsored by Rep. Gary MacLaren, addressed 12 study areas related to health insurance reform (see Appendix I). At early meetings, the Economic Affairs Interim Committee, which accepted the HJR 48 study from the Legislative Council, decided to pursue information on 10 of the study areas, omitting as not specifically related to health insurance reform and coverage the discussions of access issues, particularly related to rural areas (study area XI) and workforce planning and medical education funding (in study area XII). By addressing the remaining study areas the committee entered into the complex world of health care reform and determined the importance of perspective on how various reforms would interact with the current health care coverage and access picture in Montana. This final report of the Economic Affairs Interim Committee is intended to provide the 61st Legislature with a primer on health insurance reform issues along with background information on the environment in Montana for health insurance coverage and access to health care in general.

The report is divided into the following sections:

- a review of Montana's health insurance coverage and health status statistics, including a comparison with other selected states in which health insurance reforms have been enacted;
- a review of other states' efforts to increase health insurance coverage and address rising health care costs;
- examination of issues considered by the Economic Affairs Interim Committee and discussions related to HJR 48;
- other issues not addressed by panels but requested in HJR 48 and by the Economic Affairs Interim Committee; and
- findings and recommendations. ★ ★ ★ **PLEASE MAKE RECOMMENDATIONS OR SUGGEST FINDINGS.**

More ideas on what will be in the report are available by looking at the Appendix I, which lists the study areas and proposed "deliverables":

Appendix I

(✓ indicates the committee had panel discussions or briefing papers on this topic specifically and these will be discussed as part of the examination of issues. Items listed as **(will be included in final report)** will be incorporated into the "other issues" section.):

I. Study creation of a system of universal, portable, affordable health insurance coverage that involves private health insurance issuers and incorporates existing public programs.

A) Briefing paper on other states' health insurance reforms involving expanded coverage, including options for expanded public programs. ✓

- Incorporate overview of differences between those states and Montana's existing, relevant laws to clarify what changes would be needed. ✓

B) Presentations by representatives of selected states or people knowledgeable about the reforms in those states. ✓

C) Panel discussions by insurers, State Auditor's Office, and representatives of existing programs in Montana, like

the Montana Contractors Association plan, which has some portability features. ✓

D) Panel discussions of:

- Insurance pricing as that affects affordability. ✓
- Transparency, involving representatives of hospitals, physicians, insurers, the Attorney General's office. **(will be included in final report)**
- Certificate of need or public service commission-type approaches to review of allowing new health care competitors or services. **(will be included in final report)**

E) Review options for expanding public programs, with commentary by DPHHS.

II. Ways to improve the quality, affordability, and delivery of health care.

A) Panel discussion on how to regulate/achieve improvements in quality. **(will be included in final report)**

B) Incorporate Study Area (1) for affordability.

- Expand to include formal study of health care costs in Montana. **(will be included in less formal way in final report)**

C) Panel discussion on options to expand health care delivery systems in a way that improves access to care (e.g. Community Health Centers) **(will be included in final report)**

D) Briefing paper on quality, affordability, and delivery issues (some of which are in SJR 15) **(will be included in final report)**

E) Updates on SJR 15 study of health care delivery systems. ✓

III. Use of a health insurance exchange and implementation issues

A) Presentation and panel discussion involving people involved with Massachusetts Plan, the Montana Contractors Association Trust regarding its portability factor, State Auditor's Office, and insurer representatives ✓

B) Briefing paper

IV. Examine similar reforms enacted in other states, including the cost of the reforms to the states and to consumers, any improvements in affordability or availability, and barriers to enactment, along with solutions to those barriers.

A) Choose 4 to 6 states with different approaches (e.g. Massachusetts, Maine, Vermont, Indiana, Hawaii, and New York) and calculate cost of reforms for states and consumers, etc., for each. Prepare as a briefing paper. ✓

B) Include presentations by representatives in each state either in person or by teleconference. Incorporate with study area (3).

V. Study advantages and disadvantages of mandating private universal coverage.

A) Incorporate with Study Areas (1), (3) and (4) as they pertain to Massachusetts (individual coverage) and Hawaii (employer mandate) **(will be included in final report)**

B) Presentations by representatives of each (in person or by teleconference)

C) Briefing paper

VI. Address whether and, if so, how to incorporate existing state-related insurance programs (e.g. Insure Montana and MCHA) into reforms.

A) Panel discussion involving State Auditor's Office and insurer representatives. ✓

B) Panel discussion of briefing paper detailing state law changes that would be necessary, based on different scenarios of change.

C) Briefing paper

VII. Address whether to include public employee health benefit programs in a reform proposal.

- A) Panel discussion by State Auditor's Office, state, county, municipal, university system, and schools health benefits officials regarding impacts of any proposed changes.✓
- B) Briefing paper detailing state law changes that would be necessary.

VIII. Address whether to maximize the use of federal funds and ensure broader coverage through existing publicly funded health care programs, including Medicaid and the Children's Health Insurance Program, and, if so, what types of changes might be needed.

- A) Incorporate this with Study Area (1).
- B) Obtain financial estimates of the cost of expanding existing publicly funded health care programs. **(will be included in final report)**
- C) Review various federal waivers to determine how federal money can be maximized.✓
- D) Review what types of changes are necessary in existing law for expansion. Presentation by DPHHS.
- E) Briefing paper on the A through D.

IX. Examine how health care providers handle uncompensated care and provide an estimate of the uncompensated costs.

- A) Staff contact major health care providers to determine how they handle uncompensated care and obtain estimate of their costs. **(will be included in final report)**
- B) Request information from Attorney General on the Department of Justice study of hospitals' uncompensated care.✓
- C) List other states' options for dealing with uncompensated care (e.g. creating an uncompensated care pool by taxing providers who do not handle uncompensated care)
- D) Panel discussion by providers on menu of state options
- E) Briefing paper

X. Examine opportunities for coordination with the federal government and tribes regarding health care services and programs.

- A) Panel discussion on interconnections between Indian Health Service, Medicaid, private providers on or near reservations. Include discussion of uncompensated care, contract services, community health centers.
- B) Compile a literature review regarding options that might be employed to treat health care problems before they become critical, particularly on or near reservations or involving urban Indians. **(will be included in final report)**
- C) Briefing paper on the subjects in A and B.

The following study areas were not specifically addressed by the Economic Affairs Committee:

XI. Examine other issues related to access to health care, including access in rural areas.

XII. Examine opportunities for coordinating workforce planning and medical education funding.