

**Murdo, Patricia**

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**From:** Webb Brown [webb@montanachamber.com]  
**Sent:** Thursday, November 01, 2007 4:23 PM  
**To:** Murdo, Patricia; garymaclaren@yahoo.com; Scott Mendenhall (E-mail); smendenhall@ineva.com; michelereinhart@gmail.com; donstein@midrivers.com; wthomas@bresnan.net  
**Cc:** 'Jon Bennion'; 'Marcie O'Dwyer'; 'Sherry Cladouhos'; 'Jim Edwards'  
**Subject:** RE: Legislators to Discuss Health-care Financing Reform

Pat and legislators – I regret I can't be at the subcommittee meeting in Miles City. I'll be close – holding the annual meeting of our Foundation in Billings that day! Jon Bennion, our Govt. Relations Director is speaking at a conference out of state, too.

I just wanted to give you an update on our Montana Chamber Choices association health insurance program. Information is available on our website, [www.chamberchoices.com](http://www.chamberchoices.com). In brief, we started this program 3½ years ago from scratch. Today we stand at over 9,000 lives, including 5,000 employees at more than 700 businesses. More than half of those lives were previously uninsured. By the end of this calendar year, we expect to reach over 10,000 lives! January 1, we are being joined by two other association programs, basically doubling our size.

We are a fully-insured program, underwritten by Blue Cross and Blue Shield of Montana. The program is managed by our consultants, Associated Benefits of Montana. It is guaranteed issue, meaning no one can be turned down. It is NOT discount policies, so it may be pricey, but they cannot be refused. We offer nine different plans at this time and are adding two more Jan. 1. We currently have two High Deductible Health Plans available. Since our start, when we offered coverage to employers with 2-50 employees, we have expanded to offer coverage to the self-employed or single-lifers (a considerable step for us) and 51-99 employees. Our Jan. 1 goal is to start offering coverage to employers over 100 employees.

As a bona fide association, our program is only available to legitimate members of the state, or a qualifying local, chamber of commerce. Of course, chambers of commerce can basically accept anyone into their membership for the appropriate dues payment. For example, some people are surprised to learn that the Alliance for the Wild Rockies and the Montana AFL-CIO are members of the state chamber. Among the 44 chambers now endorsing Choices, annual dues range from \$50 to \$300+. Remember, all chambers of commerce are separate organizations, not “affiliates” or “chapters” of the state organization.

Employers must pay at least 50% of the premium and cover at least 75% of eligible employees. We do allow Medicare and management carve-outs when applicable. We must file and have our plans approved by the Insurance Commissioner.

Two years ago, we implemented a \$200 wellness benefit into every single plan we offer. We believe that is one of the best ways we can effect premium change in the long run. We also offer COBRA coverage to those who qualify, to help ease transition to new coverage. Two of the nine plans qualify for Insure Montana subsidy, altho my understanding is that the only customer ever to take that option has now left that coverage.

Our first annual renewal increase was 9.9%, barely squeaking under the double-digit increase threshold. The next year, we enjoyed a 7% increase, despite adding the wellness benefit. Last year, our renewal increase was 11.5%, with a 4.2% increase for the 2008 year just approved. The Montana Chamber itself experienced premium increases as high as 39% before we started with Choices. Besides the changes noted above, we continue to look at new benefit offerings and changes. We have an advisory committee made up of agents, chambers, Blues, and our consultants in an effort to stay on top of issues surrounding health insurance overall and our program in particular.

While this has been one action we have taken to address health insurance costs for employers in Montana, it is by no means our only or our last and final action. We continue to closely scrutinize existing and additional mandates for coverage. However well-meaning, every mandate adds costs to an already expensive system. That does not mean we necessarily oppose mandates (we support immunization mandates, for example) rather, that we eye them carefully to determine their utility. I know there has been talk about mandating coverage for everyone (universal health care) a la Massachusetts. We feel it may be a bit premature and circumstances may not be similar enough to that example to ensure success. Rep. MacLaren heard the presentation recently on that program.

I, or anyone associated with our program would be more than happy to talk to the subcommittee about our success.

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Montana Chamber Choices health insurance [www.chamberchoices.com](http://www.chamberchoices.com)  
Montana Chamber blog [www.montanamainstreetblog.typepad.com](http://www.montanamainstreetblog.typepad.com)

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**From:** NewsLinks@metnet.mt.gov [mailto:NewsLinks@metnet.mt.gov]

**Sent:** Thursday, November 01, 2007 10:00 AM

**Subject:** Legislators to Discuss Health-care Financing Reform

Health-care financing reform and its interaction with insurance coverage will be the focus of a legislative subcommittee meeting Wednesday, Nov. 7. The meeting will be from 2 to 5 p.m. at Holy Rosary Hospital in Miles City. The public can also participate via videoconference at the St. Vincent Healthcare Mansfield Center in Billings or at the MHA, 1720 Ninth St., in Helena. The legislative interim subcommittee was created by the 2007 Legislature as a result of passage of House Joint Resolution 48, which called for a study of health insurance reform and publicly funded health-care programs. Speakers and their topics will include:

- \* Tanya Ask and Angela Huschka, New West Health Services, on how the Montana Comprehensive Health Association is working to reduce the number of hard-to-insure Montanans;
- \* Rep. Gary MacLaren, sponsor of HJR 48, on 2006 reforms by the state of Massachusetts and how they may relate to Montana;
- \* Mark Burzynski, Blue Cross Blue Shield, on how the cost of premiums is affected by those without insurance and by payment policies of public insurance programs;
- \* Frank Cote, America's Health Insurance Plans, on how the cost of mandated benefits affects premium pricing;
- \* Susan Witte, Allegiance Benefit Management Inc. and Allegiance Life and Health Insurance Co., on how self-funded insurance and third-party administration works and who self-funds insurance;
- \* Martell Hilderbrand, Montana Contractor's Association Trust, on the association's insurance pool and portability plan;
- \* Gordon Higgins, Montana State Auditor's Office, on the Insure Montana Program; and
- \* Connie Welsh, administrator of the State of Montana Health Care and Benefits Division, on the state as an insurer in the face of prospective health-care financing reforms.

The speakers will discuss potential changes in Montana law to expand private and public health insurance coverage or provide better portability of coverage. Members of the subcommittee are Sen. Don Steinbeisser and Reps. Scott Mendenhall, Michele Reinhart, and Bill Thomas. For more information, contact Pat Murdo, Legislative Research Analyst, at 444-3594 or [pmurdo@mt.gov](mailto:pmurdo@mt.gov).