

Missouri Health Coverage Assurance:

A Common Sense Vision for Medicaid Reform and a Better Health Care Delivery System

Endorsement Form

Our organization supports creation of Missouri Health Coverage Assurance. This common sense approach to health insurance coverage is inclusive, cost efficient, affordable, and accessible for all Missourians. Missouri Health Coverage Assurance will offer primary, preventive health, mental health, dental, and catastrophic coverage to all Missourians by combining Medicaid with the state self-insured plans of higher education, Conservation, Missouri Department of Transportation, the Missouri Consolidated plan and the Missouri High Risk Pool. The Missouri Health Coverage Assurance Plan will:

- Promote premium fairness and affordability by basing premiums on annual household income
- Allow Missouri employers to provide coverage to employees
- Spread the risk over a large pool of people
- Bring efficiencies and cost controls to the market through economies of scale purchasing power for prescription drugs, medical supplies and equipment
- Reduce administrative costs and utilize existing institutional structures
- Eliminate costs for uncompensated care or 'charity care'
- Fairly compensate providers for services they provide
- Reduce personal bankruptcies caused by medical debt

By signing this endorsement form, we agree to lend our organizational name to the Missouri Health Coverage Assurance educational and legislative efforts and allow our name to be listed as a supporter.

Authorized signature and title

Organization

Date

Contact person if different _____

Organization address _____

City/Zip _____

Phone # () _____

Fax () _____

E-mail _____

Please return endorsement form to: Health Access Project, 606 East Capitol Avenue,
Jefferson City 65101 Questions? 888-634-2901

Our organization supports the *Missouri Health Coverage Assurance* Plan will offer

- *Inclusion and affordability* – Assure affordable health, mental health and dental health coverage to all Missourians, regardless of pre-existing conditions. Premiums will be based on three affordability standards. Those below 100 percent of the Federal Poverty Level (FPL) will have subsidized premiums and no co-payments; for those with incomes between 100 percent up to 300 percent of FPL, the annual premium will be based on the State Children’s Health Insurance Program (SCHIP) premiums. For other employers, families and individuals, premiums will be based on a percentage of annual household income as reported on the previous year income tax return. The increased affordability of insurance makes coverage available and reduces uncompensated care costs, medical debt, and personal bankruptcies. Health care costs will also be reduced for small and large businesses who will be allowed to buy in to the plan.
- *Shared risk to keep costs down for everyone* – It is widely understood that the most efficient and equitable way to provide health coverage is to ‘pool’ the risk broadly. Missouri should **create an initial enrollee pool as recommended by the Missouri State Government Review Commission**. A Missouri Health Care Administration should be established to administer a self-insured plan comprised of the current insurance plans of the (a) state institutions of higher education; (b) Missouri Departments of Transportation and Conversation; (c) the Missouri Consolidated Plan for state employees; and (d) the Missouri High Risk Pool. The new Missouri Health Coverage Assurance plan will be HIPPA compliant. Medicaid program resources and enrollees will be included, bringing **the initial enrollee pool to approximately half of the state population**.
- *Utilize existing infrastructure* – **Experts agree that Americans, including Missourians, pay at least one of every five healthcare dollars for paperwork**, nearly three times the administrative costs of more efficient, streamlined systems operated by most of the nations in the industrialized world. By **utilizing the existing infrastructure** of the current Missouri Consolidated plan - expanding on what is already there - the new Missouri Health Coverage Assurance plan can be established sooner and savings can be immediately realized by reduced administrative costs. The expertise of the combined administrative staff will enhance the effective transition to the new plan.
- *Maximize current market resources* – Reports indicate that Americans and **Missourians pay more than people in other countries for health care, yet more people are without access to needed services** here. This is an indication that **money is not the problem**. Rather, it is the **distribution of the resources that is problematic**. By combining the current assets of the Missouri Medicaid program with the self-insured plans of higher education, and other state plans, **risk and resources will be shared more efficiently and equitably**, creating a plan that assures affordable and accessible coverage for all Missourians and **eliminating expensive over-utilization of emergency rooms and the burden of**

uncompensated care on providers, health insurance policy holders and on the system as a whole.

- ***Build on employer-based system while allowing for private market plans*** – The new **Missouri Health Coverage Assurance plan will allow employers to purchase coverage for employees and not penalize those with few employees.** Where employer-based coverage is not offered, **consumers can buy in to the plan at a reasonable cost, based on their household income.** Consumers who desire and can afford additional coverage will not be prohibited from purchasing additional health insurance products.

By applying a little **common sense**, we can create a health insurance plan that is **inclusive, cost efficient, affordable, and accessible** to all. The new **Missouri Health Coverage Assurance plan will combine Medicaid with other state plans.** It will be **available to every Missourian who wishes to join, based on their income.** A larger plan will do what **market experts recommend – spread the risk over a larger pool of people.** The premium fairness and affordability and the bargaining power gained from a large pool will bring efficiencies and cost controls to the market including reduced administrative costs and utilization of existing institutional structures, and will allow for the equitable enactment of mandatory insurance coverage.

When all Missourians have coverage, there will be no costs for uncompensated care or ‘charity care’, providers will be compensated for services they provide, and bankruptcies caused by medical debt will no longer rob families of a future. This is a common sense solution to the problem of Medicaid cost containment, the rising cost of employer-sponsored health insurance and the cost-shifting of treatment costs for the uninsured, and the personal crisis of medical debt. Support for combining state health insurance plans is already growing, and Medicaid reform has begun. What are we waiting for? It is time to move forward to affordable health coverage – the Missouri Health Coverage Assurance plan.