

**Council of State Governments/Eastern Regional Conference
2006 Annual Meeting
Comparison of Massachusetts, Vermont and Maine's health care expansions**

| | Maine | Massachusetts | Vermont |
|--|---|---|---|
| Health care spending per person (FY 2003-2004; US - \$5,177) | \$6,020 | \$6,851 | \$5,646 |
| % of population uninsured (ages 0-64, 2004; US – 18%) | 12% | 13% | 12% |
| Health care spending as % of Gross State Product (FY 2004; US – 13.4%) | 18.5% | 14.3% | 16.3% |
| Cost of singles' premium ranking among states (2003) | 3rd | 25th | 17th |
| Precipitating conditions that led to reform | High health care costs High utilization rates High chronic illness rates Grassroots political pressure for universal health care | Potential loss of \$385 million federal funds Ballot question re. payroll tax for health care Strong political commitment from both legislative and executive branches Grassroots political pressure for universal health care | High Medicaid caseloads New Medicaid waiver allowing coverage of the uninsured High costs of chronic illness Grassroots political pressure for universal health care |
| History of health care reform | Long political history re. universal health care | Long political history re. universal health care | Long political history re. universal health care |
| When passed | June 2003 | April 2006 | May 2006 |
| Name of new plan | Dirigo Health Plan | Commonwealth Care Health Insurance Program | Catamount Health |

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| Structure | Part of a broader health reform aimed at reducing cost growth, increasing quality and access, includes a public-private partnership with Anthem for small business, individuals and self-employed Sliding scale premiums with subsidies to 300% FPL | State regulated private pool for all, esp. individuals & small business Sliding scale premium assistance for residents <300% FPL | State regulated private insurance options for uninsured Sliding scale premiums Limited to people who've been uninsured for 12 mon.s with some exceptions |
| Key features | Completely voluntary Public/private model State Health Plan – broad input, resists fragmentation Disease management Health promotion Maine Quality Forum Voluntary hospital cost constraints | Allows all workers to pay for premiums with pre-tax dollars, for up to 30% savings Medicaid hospital rate increases dependent on quality performance | Strong emphasis on managing chronic illness No deductibles or copays for preventive or chronic care Creation of a uniform hospital uncompensated care policy |
| How is it funded? | Funds are pooled and include employers' and employees' share monthly costs Started with state/federal \$, sustained by insurance assessments = to savings from program, Medicaid match for eligibles | Redistribution of Uncompensated Care Pool funds Premiums Federal funding Employer payments General Fund | Premiums Employer payments Increase tobacco taxes Federal funds |

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| Employer mandate/fees? | No, there is an assessment on insurers and those who administer self-insured plans if there are documented savings due to program | Yes, employers with >10 employees who do not provide a fair and reasonable contribution toward health insurance will pay \$295 per FTE and if they provide no access to coverage they will reimburse the state for a portion of their workers' uncompensated care costs | Yes, employers who do not cover workers will pay \$365 per FTE for workers not offered insurance, workers not eligible for insurance and workers that are offered and eligible but are uninsured; that fee will increase at the same rate as premiums in Catamount Health |
| Individual mandate? | No | Yes, if affordable coverage is available | No, may revisit in future |
| Cost saving measures | Voluntary budget limits on hospitals, insurers, providers CON program strengthened Price transparency Mandated electronic billing | Savings from covering the uninsured Measures to be developed by Healthcare Quality and Cost Council | Significant public health and chronic care initiatives Assistance to carriers to reduce individual premiums by 5% Price transparency |
| Quality measures | Maine Quality Forum – watchdog, evidence-based medicine, consumer wellness education, health IT | Cost and Quality Council to develop and monitor quality measures Health Disparities Council to monitor quality for underserved populations Hospital rate increases tied to quality performance | Free immunizations for all Vermonters Blueprint for Health – create a chronic care infrastructure Medicaid chronic care management program Medical event reporting Health IT coordination Loan repayment program for health care professionals |
| Changes to insurance regulation | Begin rate regulation of small group market | Merges individual and small group markets saving individual consumers up to 28% | Healthy Lifestyle Insurance Discounts |

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| Changes to Medicaid | Expanded – parents to 200% FPL, other adults to 125% FPL | Expanded – children to 300% FPL Restores prior benefit cuts Expanded Insurance Partnership program to 300% FPL | Reduces premiums Increases reimbursements to doctors, hospitals, clinics |
| Savings to date | \$44 million first year | To begin July 1st | To begin October 2007 |
| Enrolled to date | 10,111 members, including 2,321 businesses | | |
| More information | www.dirigohealth.com | http://www.mass.gov/legis/summary.pdf | http://www.leg.state.vt.us/HealthCare/catamount.htm |

Sources:

www.statehealthfacts.org, Kaiser Family Foundation
 State Personal Health Care Spending, CMS
 State Officials