



Massachusetts Health Care Reform
Results So Far and Looking Ahead



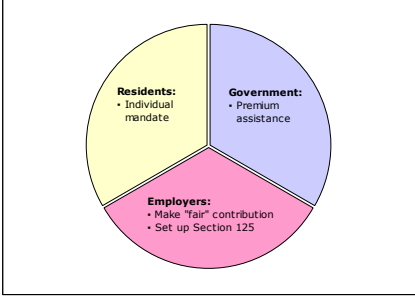
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Commonwealth Connector **"The Model"**

Shared Responsibility



Group	Responsibilities
Residents	Individual mandate
Government	Premium assistance
Employers	Make "fair" contribution Set up Section 125

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Five Facts on Mass Reform

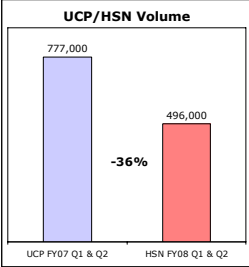
- 2.6% uninsured, after 2 years
- 41% of newly insured are private pay
- Gov't cost = \$2k pepy (Part D = \$5k)
- 98.6% compliance rate
- 75% approval rating

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Commonwealth Connector **Results So Far**

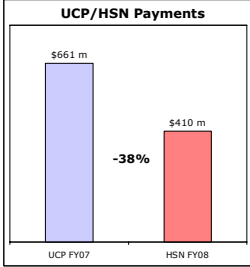
Decreasing reliance on Free Care

UCP/HSN Volume



UCP FY07 Q1 & Q2: 777,000
HSN FY08 Q1 & Q2: 496,000
-36%

UCP/HSN Payments



UCP FY07: \$661 m
HSN FY08: \$410 m
-38%

Source: HSN Annual Report 2008, Dec 08

UCP: Uncompensated Care Pool
HSN: Health Safety Net

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Commonwealth Connector **Results So Far**

Improved Affordability:

Almost twice the coverage at half the price

	Pre-reform	Post-reform
Monthly Premium	\$335	\$184
Rx coverage	None	\$100 deductible
Deductible	\$5,000	\$2,000

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Commonwealth Connector **Looking Ahead**

Challenges Ahead

- Rising health care costs
 - Affordability schedule
 - MA reform sets the stage to address
- Economic downturn
 - Connector is counter-cyclical need
 - Continued state and federal funding
 - Crowd-out
- Sustaining the individual mandate
 - Tax enforcement
 - MCC standards
 - Employer/carrier cooperation

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