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Health hike hits poorest

Higher co-pays, rates approved

By Steve LeBlanc THE ASSOCIATED PRESS

BOSTON— Some of Massachusetts' poorest residents will have to pay more in insurance premiums and co-payments under increases approved yesterday by the board that oversees the state's landmark health care law.

The increases in Commonwealth Care, the state's subsidized health insurance plan, will require about half of the more than 176,000 people enrolled in the plan to dig a little deeper for health insurance — although the board retreated from a recommendation to increase the co-payments and premiums even higher.

For example, people who are just above the federal poverty level will have to make \$18 co-payments instead of \$10 for a visit to a specialist, while those making slightly more will see their co-payments for generic drugs delivered by mail increase from \$20 to \$25.

Between 35 percent and 40 percent of those in the subsidized program also will see their premiums increase. Those making less than the poverty level won't see any increases.

The increases are necessary to help pay for the law and make sure others don't flood into the system.

The Health Care Connector board also voted to renew the state's contracts with four health care providers that cover those enrolled in the subsidized plan.

The four providers had initially sought an increase in payments for coverage of 15.4 percent — a proposal rebuffed by the board — and ultimately settled for a 12.1 percent increase over last year.

Some of the additional costs will be covered by the higher co-payments and premiums increases, but taxpayers will have to cover nearly 10 percent of the rise.

Leslie A. Kirwan, chairwoman of the Health Care Connector Authority Board, couldn't say how much a 10 percent increase would cost the state.

She acknowledged that the health care law has been so successful — enrollment in the subsidized plan is projected to increase to 225,000 — that the law will cost significantly more than anticipated.

"We are not expected to be able to live within the budget," proposed by Gov. Deval L. Patrick, Kirwan said.

Kirwan said Patrick has asked top administration officials to work with health care providers and others to find ways to rein in costs.

Senate President Therese Murray is also pushing a major health care cost-cutting bill.

Health care advocates said they were pleased the board stepped back from more dramatic increases in co-payments and premiums, but said others need to share more in the burden of rising insurance costs, including health care providers, businesses and hospitals.

"At the end of day it is the enrollees and the taxpayers who are standing out there alone," said the Rev. Hurmon Hamilton of the Greater Boston Interfaith Organization. "They've got to come to the table."

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GREATER BOSTON INTERFAITH ORGANIZATION

Jessica Adler, 41, lives in Arlington with her husband and 4-year-old son. When her husband was laid off, the family turned to Commonwealth Care. Adler, pregnant with a second child, said she appreciates the program but is worried.

"The decision today is going to increase our costs for our co-pays and our premiums," said Adler, who is still trying to figure how much the family's health care costs will rise. "I don't think it's sustainable for the state to keep increasing co-pays and premiums. The law was created for people who are struggling."

Jon Kingsdale, executive director of the Health Insurance Connector Authority, said one of the biggest culprits was the "ever-skyrocketing cost" of medical care.

Also yesterday, the Massachusetts Association of Health Care Plans released new numbers showing a jump in the number of individuals enrolled in nonsubsidized plans.

Between January 2007 and January 2008, more than 111,000 individuals purchased new insurance coverage — with more than three quarters obtaining insurance through their employers. The rest purchased private plans through the Connector Authority or directly from insurers.

Rick Lord, president of the Associated Industries of Massachusetts, said the new numbers show that employers are doing their part to make sure insurance reform succeeds in Massachusetts.

Kingsdale said the fact that the bulk of those buying private, nonemployer plans have gone through the Connector is a sign the program is working.

"Reform is reducing the ranks of the uninsured across the board," he said.



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