Historical Efforts To Reduce Montana's Uninsured

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Summary of Efforts to Reduce Montana's Uninsured

1991 – Limited Benefit Disability Insurance – Legislative proposal to allow marketing of a basic benefit package to uninsured employer groups. As an incentive, a tax credit was proposed for up to ten employees with a graduated credit of up to $25 if the employer pays at least 50% of the health insurance cost. Basic plan provides maternity and newborn, well-child up to age two, a limited psychiatric and substance abuse benefit and hospital services. This was also a pay-or-play proposal, which did not make it, plus four new mandates and three health insurance regulatory expansions.

1993 - Montana Health Care Authority (HCA) – Legislative mandate to develop a comprehensive statewide health care reform strategy to provide all Montanans with improved access to high quality, affordable health care. The HCA was required to submit a single payer plan and a regulated multiple-payer system. A third alternative, a market-based sequential health care reform package was added. Due to financial constraints and lack of political consensus, plan was not funded.

SB 285 Small Group Reform – In addition to creation of the Health Care Authority, SB 285 also instituted the following small group reform provisions: establishment of classes of business with certain restrictions placed on rating; reasonable disclosure; guaranteed renewal except for premium non-payment; establishment of a minimum of two plans - a basic and a standard; limits preexisting waiting periods; regulates enrollment uniformity and contribution participation requirements; establishes small employer carrier reinsurance program.

1995 – **Health Care Advisory Council (HCAC**) replaces Health Care Authority. The Legislature charged the HCAC with monitoring and evaluating incremental and market-based approaches for health care reform.

Health Information Network – Legislature directed the development of a central database of healthcare resource, cost and quality information to increase access, promote cost containment and improve quality. The 1997 Legislature did not fund continuation of either of these projects.

Group Purchasing Cooperative – Legislatively authorized. Only one purchasing pool has been formed and its functions have changed considerably over time.

Caring Program for Children – Legislature provided state funding for this 1992-public/private partnership with Blue Cross Blue Shield of Montana, which targets low-income uninsured children.

Mental Health Access Program – Legislature authorized state funding for mental health services for non-Medicaid low-income individuals with serious mental illnesses/children with emotional disturbances.

Small Group Reform, round II and the Small Employer Health Insurance Availability Act, Individual Market Reform – comparability provisions added; Uniform Benefit Plan, a lower-cost, catastrophic plan added; clarification that association plans must comply with guarantee issue; portability of preexisting waiting period carried to individual coverage. MCHA benefits expanded.

Medicaid Managed Care – allowed a new category of licensure for managed care plans called Managed Care Community Networks that could be established by providers only.

Premium Deductibility - allowed individual income tax deduction for 1/2 of premium payments for health insurance.

Medical Savings Accounts – tax exemption for contributions up to $3000 deposited into a MSA Account.

1997 – Managed Care Network Adequacy and Quality Assurance Act – Legislative initiative to protect the rights of individuals enrolled in managed care plans. The Act improved access to emergency services and set standards for network adequacy and quality assurance, which, to date, are rare throughout the United States.

Montana HIPAA Implementation – All group business – prevention of "job lock", no discrimination on health status; preexisting condition look-back 6 months, credit for prior creditable coverage, small group reforms expanded to groups of 2 – 50; MCHA expansion for Portability – addition of coverage availability.

Premium Deductibility moved to 100%, MSAs amended and six additional insurance mandates or regulatory provisions applied

1999 – Children's Health Insurance Plan (CHIP) – Legislature approved funding for CHIP to address the increasing problem of low-income uninsured children.

Health Care Advisory Council – was re-authorized in 2000 and the Council chose to prioritize their efforts towards the rising number of uninsured Montanans. DPHHS and the HCAC requested technical assistance from the State Coverage Initiative Program. These efforts resulted in the development of a **White Paper titled "Strategies for Improving Access to Health Care Coverage"**.

2000 – DPHHS implements several public/private programs to address the rising number of Montanans who were eligible for publicly funded insurance programs but were not enrolled.

2001 – **Joint Subcommittee on Health Care and Health Insurance (SJR 22)** – Legislature authorized the study of health care and health insurance costs + asked for recommendations for the 2003 Legislative session.

Montana Comprehensive Health Association (MCHA) – Legislative authority to 1) established MCHA and a sliding scale premium for MCHA eligible persons with income less than 150% of FPL. Federal funding was received to implement this demonstration project. 2) Second bill required the Insurance Commissioner to set up a study committee to recommend a new financing system for MCHA.

Eight Community Roundtable Discussions on Affordable Health Care Coverage – Montana's Insurance Commissioner held a series of eight community meetings to solicit comment on strategies to expand access to affordable health care.

Governor's Health Care Manpower Shortage Task Force – Addressed hospital's and health care communities concerns re: professional shortages (i.e. nursing, medical technicians such as lab techs, dentists, etc)

Governor's/Attorney General's Substance Abuse Task Force

Unveiling of Blue Care – a private initiative among three hospitals with a fourth joining immediately, three large physician groups and Blue Cross Blue Shield to provide a basic, lower-cost health plan to uninsured, lower-income Montanans through significant financial arrangements by Montana's health care community.

2002 - Governor's Health Care Summit – Montana's Governor invited Congressional Delegation, Legislators, public policy officials, and representatives from the health care, business, advocacy and insurance communities to comment on federal/state proposals, offer ideas to address Montana's uninsured & high cost/access to health care.

HRSA State Planning Grant received in order to develop a plan to address uninsured.

2003 - HB 204 The Montana Health Care Affordability Act. The 2003 legislature considered this bill to significantly expand coverage to the uninsured. The bill included substantial advanceable, refundable tax credits for small business and low-income individuals, state matching funds to double the CHIP program and increase eligibility to 175%, prevent cuts to Medicaid coverage, and provide assistance to seniors who lack prescription drug coverage. The proposal was to be funded with $1.50 increase in the cigarette tax. Over 40 organizations and individuals supported the proposal. The bill died in the House Tax Committee.

HB 216 – Tax Credit for Small Businesses and Individuals Pilot. The 2003 Legislature, based on a recommendation from the SJR 22 Committee, considered a bill to allow advanceable, refundable tax credits to small businesses and lower-income individuals. Died in House Tax Committee.

HB 104 – Revise laws for insurance purchasing pools. Lowered the number of eligible individuals needed to form a purchasing pool from 1000 to 51.

HB 481 – Hospital Bed Utilization Fee. Allows leverage of a state bed utilization fee to increase federal dollars for Medicaid payments, decreasing to a degree the cost-shift from Medicaid to private pay patients.

HB 302 and SB 259 – Statewide School Health Pool Proposals. Both proposals made it through at least one house, but neither was finalized.

HB 384 Limited health benefit plans for uninsured individuals Adopted by the legislature, this bill allows health insurers to conduct demonstration projects issuing limited benefit plans, including a plan covering only outpatient care.

SB 473 Health Montana will allow DPHHS to apply for a Medicaid waiver to provide discounts on the purchase of prescription drugs for Montanans who lack drug insurance coverage and are under 200% of the federal poverty level.

First state funding to subsidize premiums for low-income individuals buying MCHA high-risk pool coverage. In response to I-146, the legislature appropriated $1,350,000 for the biennium to the MCHA to continue the premium subsidy program begun in 2002 through a federal grant.