



Paying for Health Care

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Outline

- Montanans' health care coverage
- Coverage options
- Government already pays...
- Importance of coverage for children
- Can we cover more kids?
- Systems of care



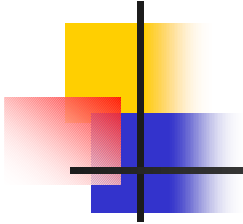
MT's health care coverage

- Research by U of M Bureau of Business & Economic Research
- 5,074 household surveys—2003
- Response rate 75.2%

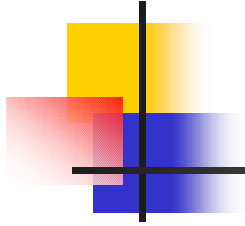


How we get insurance

- Insurance coverage in Montana
 - Employer 51%
 - Individual 9%
 - Medicare 15%
 - Medicaid & CHIP 6%
 - Uninsured 19%



- Insurance coverage 0-64 years old
 - Employer 58%
 - Individual 10%
 - Medicaid & CHIP 10%
 - Uninsured 22%



- Uninsured by age

■ 18 years & younger	17%
■ 19-25 years	39%
■ 26-49 years	24%
■ 50-64 years	14%



Paying for health care

- Americans pay the world's highest taxes to finance health care
- Our "private" health care system is funded mainly by taxes



Government pays for:

- Federal employee health insurance
- State employee health insurance
- Legislator and other elected official health insurance
- Tri-Care for military personnel and families
- Workers' Comp
- Uncompensated care
- Medicaid
- Medicare
- CHIP
- Care provided by VA
- Subsidies for pre-tax insurance premiums



What to do?

- A sudden reversal of fate could dispatch almost anyone to the ranks of the uninsured
(Warren Goldstein, Philadelphia Inquirer, June 29, 2003)
- Nearly every problem with American health care is directly traceable to the market itself
(Baltimore Sun, July 22, 2003)
- While there is disagreement about whether or not health care should be treated as a “right,” there is consensus that it should not be doled out solely based on ability to pay.
(Holahan, Weil and Wiener)



Coverage options

- Employer-based health insurance
- Individual health plans
- Handout—more options



Why kids need coverage

- Healthier kids
- Increased school readiness
- Fewer school days missed
- Fewer work days missed for parents
- Less chance of family debt from medical bills
- Long-term employment gains



Coverage for more kids

36,000 children uninsured at or below 200% FPL

Up to 150% FPL—22,000 uninsured

- ~ 15,000 eligible for CHIP
 - ~ 7,000 eligible for Medicaid
-
- 151-165%—2,700
 - 166-185%—4,700
 - 185-200%—6,500
- | | |
|--------------------------|--------------------|
| For every \$1 MT spends, | federal government |
| kicks in \$4 | |



*Additional state funds will:**

- Reduce the number of uninsured children by 80%
- Reduce the uninsured rate of children from 17% to 3%, one of the lowest in the nation
- Demonstrate that Montana believes in investing in its economic future

*U of M Bureau of Business and Economic Research, Steve Seniger



Developing systems of care

DPHHS involved on many levels

- New division: Child and Adult Health Resources Division
- New bureau: Children's Mental Health Bureau
- New ideas
- New partnerships