Universal Coverage for Children: States Setting the Pace

State Senator Jack Hatch
State of Iowa
September 19, 2008
America has a health care crisis.
Should states wait for the federal government to solve the problems of 47 million uninsured Americans?

NO – but the climb will not be easy!
The politicians have failed

Congress, the states and special interests have developed a patchwork approach while failing to achieve broadly accepted long-term solutions.
The states are already experimenting with reform.
What every state could be doing now?

- Broad health reform at state level
- Shared benefits and burdens
- Diverse financing with a key role for Medicaid
- Wellness, prevention, and quality control
Can One State Do It All Anyway?
The 2007 Iowa Legislature creates:

The Iowa Commission on Affordable Health Care for Families and Small Businesses
Governors Report:
December 2007
Iowa House File 2539: Universal Health Care in Iowa

- First, cover all the kids
- Then, cover everyone else
- Make improvements along the way
Political timeline

- Public demands action
- Democratic plan earns bi-partisan support
- Stakeholders push for complementary positions
- Legislative process is absolutely open and transparent
- Leadership support was critical
- Caucuses support
- Governor & Lt. Gov personal support was critical
Nobody could find a reason NOT to support the bill

Iowa House: 94-4
Iowa Senate: 42-4
A new day for Iowa health care
Universal Coverage for all kids by 2011
House File 2539
Covering All Iowa Children

280,000 Uninsured Iowans

53,000 Uninsured Children

- Medical Home
- Preventive Care
- Chronic Care Management
- Governor’s Wellness

Iowa Choice
(19,000 children)

Iowa Comprehensive Insurance Association

Develop Plan for Children

FY 2010
General Assembly

Cover All Children

Medicaid, hawk-i and hawk-i expansion
(34,000 children)

Three Year Funding Commitment

FY 2009 = $4.8M
FY 2010 = $14.8M
FY 2011 = $24.8M

Cost Containment & Transparency

Medicaid & hawk-i
hawk-i Expansion
Iowa Choice

29,000
5,000
19,000
53,000

280,000 Uninsured Iowans

29,000
5,000
19,000
53,000

4/10/2008
On to Washington!
What the states bring to the table

- More innovation
- Multiple models
- Public / private partnerships
- Shared responsibility
- Provider ownership
- Consumer buy-in
- Political Freedom
Why are states good partners?

- Experienced providers of services
- Real budgetary pressures
- CITIZENS DEMANDING ACTION ARE EASY TO HEAR
Key areas of federal – state cooperation

- Lower costs
- Minimum coverage
- No pre-existing conditions
- Subsidized coverage for some
- Increased quality of patient care
Wish list of federal reforms
Empower states to go beyond Federal Law

- Invest in Strong State/Federal Partnerships
  - Increase in Medicaid and S-CHIP

- Reduce Barriers to State Reform
  - Amend federal law which pre-empts states from ensuring all employees have access to affordable and comprehensive coverage (ERESA Reform)

- Set High Standards, support State Programs
Help reduce costs

 Guarantee Affordability
  – All health care costs should be limited to a % of income or payroll

 Reduce Costs
  – Reform must slow the growth of health care

 Ensure Safe/Affordable Prescription Drugs
  – Prescriptions based on scientific & unbiased data
Improve quality control

Institute “Pay for Performance”
- Quality should receive higher rates of reimbursements than poor quality
- Payment system should provide incentives for quality care, preventive care, Medical Home

Achieve Equity in Health Care
- Reform must eliminate racial, ethnic, gender and income disparities
Universal access

 Guarantee Access
  – Every US resident be guaranteed access to public/private health plans

 Provide for a Public Plan
  – For families and businesses

 Ensure Accountable and Fair Insurance
  – No denial of coverage on pre-existing conditions
And don’t forget...
It all started in Iowa