

Health care reform: You could get cash for health insurance

That's just one idea task force is studying to make coverage more affordable

By Lisa Rosetta The Salt Lake Tribune
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With a final Dec. 16 meeting left before it concludes, the Legislature's Health System Reform Task force on Tuesday presented a blueprint for bills that will be drafted and debated this session. The legislation would fall into eight categories:

Preserve Utah's private insurance industry, while urging the creation more affordable plans. Use a new Internet portal to help monitor whether more people are buying coverage.

Remove barriers to affordable products. Create mandate-free insurance plans and offer a lower-cost alternative to COBRA, a federal law that temporarily extends coverage to departing employees.

Increase access to affordable products. Allow businesses to give employees money to shop for their own plans.

Increase transparency. Require brokers to disclose how they are compensated; create standards for the electronic exchange of information among consumers, health care providers and insurers.

Simplify administration. Reduce the costs of billing, making payments and resolving claims. This could include "swipe cards" that include information about an enrollee's health plan.

Reform how providers are paid. Try pilot projects that pay providers for "episodes of care" rather than individual tests, and for coordinating patients' care as their "medical home."

State contracting practices. Require companies contracted to do certain work for the state to provide health insurance to their employees.

Medical malpractice reform. Change the standard of proof a plaintiff must meet when suing a provider and give malpractice protections if a provider follows the standards of best practices.

Utah lawmakers want to allow your employer to put pre-tax cash in your pocket and let you shop for your own health insurance plan.

Rather than pay a portion of your premium each month, your employer would make a deposit into your health savings account - money you could use to buy any plan you want.

By the time that would happen next year, lawmakers hope to have in place an Internet portal - a kind of Travelocity.com for health insurance - to help Utahns compare insurers' rates, coverage and histories of honoring claims.

With just one meeting left before the Legislature's Health System Reform Task Force disbands, lawmakers Tuesday unveiled a five-page blueprint for a slew of bills to be drafted and debated this session.

The thrust of it gives Utahns more options to buy coverage - including the chance to get plans that are mostly free of benefits now mandated by the state and therefore are less expensive. Lawmakers, in turn, hope the private insurance market will capture a greater number of the state's 287,000 uninsured.

Under the "defined contribution" bill, for instance, small companies that couldn't otherwise afford to offer their employees benefits could make deposits into employees' health savings accounts. That money, coupled with government assistance or a spouse's contribution from their employer, would be enough to buy a basic plan.

Self-employed Utahns would also get a little more help: Lawmakers are considering changing the definition of a "small group" from a minimum of two employees to one. That would give individuals access to "guaranteed issue" plans - which cover people regardless of their health history.

The state would lean more heavily on employers to offer their workers some kind of benefit or contribution.

On design or construction projects costing \$500,000 or more, companies awarded contracts through one of five state departments would have to offer their employees health insurance.

While the task force is focused on tearing down barriers to affordable health insurance, Rep. David Litvack, D-Salt Lake City, wondered if some of the proposals sacrifice comprehensive coverage for the sake of lower premiums.

NetCare, for instance, is a proposed insurance plan that would be free of most state-mandated benefits. It would be offered at a third of the price of the average large-group premium, but would not cover many conditions - which have not yet been specified.

"If something like mental health parity is not included," Litvack said, "where does someone go?"

Rep. David Clark, R-Santa Clara, said helping get more Utahns insured is a delicate balancing act between affordability and coverage. "Rather than us try to determine where that exact fine point is, let individuals in the market figure that out," he said.

Others, meanwhile, expressed disappointment at the absence of an omnibus bill - one broad, sweeping piece of legislation that would thread together the task force's proposals.

"I'm struck by the predicament we're in right now," said Judi Hilman, executive director of the Utah Health Policy Project. "I think we're beginning to notice in this discussion we really can't work on these pieces in isolation. It really has to be a house of cards. . . . and yet we don't have the political will to attack that house of cards."

In the meantime, she said, the clock is ticking.

With a new president and Congress, reforming health care will once again become a national priority, she predicted.

And the message to the states is clear: do it on your own terms or "we're going to ram something down your throat," Hilman said.

Acknowledging that true health system reform in Utah has proved "very, very daunting," Clark, the task force's House chairman, said the forthcoming round of legislation is merely the beginning of a more long-term effort.

"Here in Utah, I think we have the best broken system in the country," he said. "But we still have a need for significant effort."

287,000

Number of uninsured Utahns