

Health Care Reform in Florida

The League of Women Voters Position :

The League of Women Voters supports a health care system that provides **access** to a basic level of **quality** health care for all Florida residents and controls health care **costs**.

Florida's challenges: access, costs, and quality

by Claudia Roth

In 2005 Florida was ranked **third in the nation** for highest number of uninsured among the states by a U.S. Census Bureau study. The study found that 20.2% of the state's 18.1 million people were without health insurance.

If 20.2% of the population are uninsured then the majority of the population must be covered by insurance or the government, so **why is there a problem?**

1. The cost of uninsured Floridians when they do seek care is shifted to insured Floridians in order to subsidize care. Providers cannot shift their costs to the government because Medicare, Medicaid and State Children's Health Insurance Program (SCHIP) payments are set. Every year we see the cost of commercial health insurance premiums, deductibles and co-payments increase. Premiums increased 114 percent between 1999 and 2007 while workers' earnings increased only 27 percent (Policy Brief No.16/October 2008 Sarah Goodell and Paul Ginsberg).
2. Preventive care is underutilized by those without insurance so when they do finally seek care their health problems are more serious and more expensive to treat.
3. Health disparities result. The Veteran's Administration, Indian Health Service, SCHIP, Medicare and Medicaid cover only a select population.

Why is healthcare so expensive?

Growing patient demand for services, overuse and misuse of services, needs of an aging population, prescription-drug and technology costs contribute to price increases. Another cost driver is a medical liability system that encourages physicians to practice defensive medicine. Some blame a health care delivery system focused on acute care. We treat a heart attack but don't prevent it.

What about quality?

There are at least three ways to describe quality. The first is the absence of defects. With respect to health care we can examine the issue of patient safety. In the U. S. 44,000 to 98,000 deaths per year can be attributed to medical errors (Institute of Medicine).

The second way to describe quality is to examine waste. Examples of waste are insurance and Medicare fraud and overpayment.

A third way to describe quality is to examine improvement features. Insurance companies that want to sell policies in Florida must wade through fifty mandates to cover Floridians and Governor Crist recently added a new one for autism. Most people do not use many of the features their health insurance plan covers.

What initiatives are happening at the state level to meet the challenges of access, cost and quality?

The Florida Agency for Health Care Administration's Uninsured Study Group met in 2007 to examine the issue and propose possible solutions. Their guiding principles were: 1.To decrease the number of uninsured in increments in a realistic timeframe 2. Focus efforts on children and

those adults easiest to insure³. Customize approaches to the population being targeted 3. Communicate available resources to the uninsured 4. Build upon local initiatives.

In 2002 Florida established the Health Flex Plan Program. Its goal was to unite a variety of entities, including HMOs, governmental programs, health care providers, nonprofit organizations and other community resources in order to provide primary and preventative health care coverage to low-income, uninsured workers of small businesses. But the program had many shortcomings including: 1. Lack of publicity among potential providers, employers, and beneficiaries, 2. Lack of support with implementation and 3. Some fundamental flaws in the design of the program such as the income limits placed on the plans creating perceptions of unequal treatment among workers. Enrollment in all of the existing plans was lower than anticipated. Of the five plans only JaxCare, Inc. had significant enrollment as well as being financially solvent. A variety of factors are responsible for its relative success, including hospital partnerships, nonprofit support, and possibly demographic characteristics that distinguish Duval County from South Florida.

Beginning in 2009 nine companies will compete to offer basic low cost insurance. In order to make them affordable, these policies are exempt from mandates such as the autism mandate that recently passed. The policies must include – at a minimum - coverage for preventive services, screenings, office visits, outpatient and inpatient surgery, urgent care, prescription drugs, durable medical equipment, and diabetic supplies. At least two plans will be offered, one with catastrophic coverage and one without. They will be available to Floridians who have been without health insurance for at least six months. And will be designed to cost \$150 per month or less. This cost the state nothing.

Another program that does not cost the state anything is the Florida discount drug card. It is designed to help persons who are age 60 and older and without prescription drug coverage or who fall into the Medicare Prescription Drug coverage gap; OR are under age 60, without prescription drug coverage, and with an annual family income of less than 300% of the Federal Poverty Level.

The 2007 legislation signed by Governor Crist included putting physical education back in the schools in an effort to curb the increase in childhood obesity rate. Indeed studies have shown that many children actually gain weight in the summer when school is not in session.

Amerigroup, a multi-state managed health care company made some recommendations to the Florida Agency for Healthcare Administration:

1. Extend Coverage to Parents of Medicaid and SCHIP Enrolled Children.
Amerigroup believes covering parents will support primary care and wellness activities which will result in lower costs in the entire system. It is also preferable to keep families together on the same plan in order to decrease the confusion within the family. Further, expansion of this program provides the potential for increase federal funds to be brought to Florida.
2. Help Floridians understand their options. Many who lose Medicaid or SCHIP or are uninsured because their employer does not offer coverage have limited information about what options are available to them.

States have become fertile grounds for innovation but will ultimately require a broader federal effort to fully succeed. That is material for a separate article. In addition we will have to have a meaningful dialogue about individual patient responsibility. Building time into the system for patients to ask their health care providers questions and have them answered has been shown to be more influential in increasing patient compliance for taking medication than cost of the

medicine. A system in which patients are interrupted before they finish asking their questions discourages healthy patient behavior.

Policy Brief No. 16/ October 2008 Available at www.policysynthesis.org.

Report Brief July 2006 Preventing Medication Errors Institute of Medicine available at www.iom.edu/CMS/3809/2256/35939.aspx.

The Amerigroup report and the Uninsured Study Group report are available at Gov. Crist's website.

The description of the Florida drug card is from this press release December 20, 2007 www.flgov.com/release/9743.

Other information used in this article is available at America's Health care at Risk: Finding a Cure www.healthcareatrisk.org October 2008

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