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# A Great Success

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Facts are a stubborn thing.

And despite the false claims of ideologues, academics and politicians, the facts tell the story of Massachusetts' remarkably successful health-reform law. The lengths that critics have gone to in their various attempts to disprove the obvious—that our state's landmark 2006 law and its implementation amount to a truly historic achievement—would be amusing if the subject were not so serious.

The facts:

- The number of individuals with health-insurance coverage in Massachusetts has increased dramatically—by more than 400,000, according to the most recent state data. The percentage of uninsured state residents has declined to only 2.6% from about 8.2% prior to health reform. (These figures, updated in August, are from surveys by the state Division of Health Care Finance and Policy, using a 4,000-person sample. My opponent's figures, from the U.S. Census Bureau, are based on smaller samples, and are, at their most recent, almost a year old.)
- The incremental cost to taxpayers has been modest and consistent with projections: an average increase of \$88 million each year from fiscal 2006 to 2010, out of a state budget of about \$30 billion, to help pay for 265,000 newly insured individuals eligible for public subsidies (165,000 in Commonwealth Care and 100,000 in Medicaid).
- With more individuals signing up for insurance coverage through their work, employer-sponsored enrollment has grown by 100,000 since health reform was adopted, during a recession in which total state employment has declined by 100,000.

Because most employers offer coverage, last year only 758 out of a total of 23,128 employers were required to pay a "fair share" contribution of \$295 per employee to help cover the cost of free care. The audit my opponent refers to, in which 40% of employers were in violation of this requirement, looked at only 426 companies in part-time and high turnover industries.

- In addition to taxpayers and employers, individuals have also done their part in the spirit of shared responsibility on which the health-reform law is based. The number of individuals who have purchased insurance in the private market has more than doubled—to 86,000 from 40,000.
- Because more people are covered, the provision of uncompensated care fell 38% during the first six months of 2008, compared with the year-earlier period, according to Division of Health Care data. Consistent with the law's intent, this savings has been used to help

subsidize insurance for those individuals who are now required to have it but cannot fully afford it—in particular the 165,000 enrollees in Commonwealth Care.

Mean while, the state still sends large amounts of money to safety-net hospitals, but through insurance payments on behalf of the newly insured rather than through lump sum payments to the hospitals. Some hospitals are suffering financially, but this is because the state government has cut Medicaid reimbursement rates for all hospitals because of the collapse of tax revenues.



- A variety of statewide opinion polls have shown that public support for health reform has been strong from the outset, and remains so even in the middle of severe recession. Employers supported reform by almost a two-to-one margin in a 2008 poll by the Blue Cross Blue Shield of Massachusetts Foundation.

Behind these compelling facts lies the human impact of the success of health reform in Massachusetts—lives saved and better medical care for hundreds of thousands of people.

Jaclyn Michalos is one face of Massachusetts health reform. Diagnosed with cancer at age 27, she is now cancer-free, she says, thanks to her coverage through Commonwealth Care, the program that subsidizes coverage for individuals and families.

Abbie von Schlegell moved here from Maryland in 2007, where she had been denied coverage because of her medical history of deep vein thrombosis and asthma. Once in Massachusetts, she applied for a Commonwealth Choice nonsubsidized plan, and to her delight, her application was accepted. She says she is paying less than half the price of the other options she was exploring at the time.

Some critics, meanwhile, point to budget cuts for Commonwealth Care as evidence the program isn't working. There have been cuts, but not because of problems with the program. State tax revenues are collapsing throughout the country due to the recession, and with Massachusetts facing a structural budget gap of \$5 billion in fiscal 2010, none of its programs has escaped the cutting board.

Critics also wrongly blame the state's rising health-care costs on Commonwealth Care. There is no evidence to suggest that health reform has exacerbated rising costs, or that these increases mean health reform is a failure. Virtually all stakeholders involved in the passage of the 2006 law understood that its principal intent was to achieve near universal access, and that the next chapter would be to deal with escalating health-care costs. Rising health-care costs across the nation preceded Massachusetts health reform by decades and would remain just as serious an

issue for the government, employers and individuals in Massachusetts and other states if health reform were to disappear tomorrow.

There is of course a cost to providing subsidized insurance. The savings achieved by reducing the amount of free care being delivered helps pay for subsidies and holds down the costs of expanding coverage. But no informed observer ever said the Massachusetts plan would lower health-care costs for everyone.

While reforming health care for a whole country is vastly more complicated, the overwhelming success of the effort in our state makes a compelling statement that national reform can succeed. One wonders why critics have been so zealous in distorting the facts to “prove” that the Massachusetts reform is a failure. This is not some theoretical discussion but a real achievement and lifeline for hundreds of thousands of Massachusetts citizens.