



Reform health-care reform process, PAR says

By Jim Brandt • Special to The News-Star • June 6, 2010

The passage of national health care reform legislation in March has triggered a major state-level planning effort as Louisiana officials prepare to boost Medicaid enrollment according to the federally mandated timeline and parameters. Initial estimates show that the state's Medicaid program could extend coverage to an additional 385,000 people at a total cost of \$4.2 billion and a state cost of \$419 million for fiscal year 2023.

The complexity of planning, financing and implementing the changes needed to comply with the requirements of the health reform act should not be underestimated. Numerous issues need to be resolved in order to implement health care reform. All would benefit from an open process for planning and decision-making. Louisiana officials so far are engaging in a closed-door, in-house planning process. Here are a few of the issues that need to be addressed:

Estimates for the cost of expanding Medicaid coverage to everyone with income below 133 percent of the federal poverty level are wide-ranging in each state, including Louisiana: number of persons not currently covered, how many would enroll, the estimated cost of medical care for each person, etc.

LSU charity hospitals are likely to be adversely affected by health care reform, because they stand to lose substantial numbers of uninsured clients who currently use the system. As those clients become insured, either by public or private plans, they are likely to seek care outside the charity system, which would lose substantial revenue and could lead to closure of some facilities. Public understanding and support will be required to reorganize the system to address the twin challenges of implementing health care reform while ensuring that medical education functions are protected and even improved.

Insurance exchanges will provide an easier way to purchase private health insurance plans and will likely reduce the cost of coverage to individuals. Employees of small businesses that do not provide coverage may utilize these exchanges. Ensuring that exchanges are properly implemented to provide accurate and understandable information about costs and benefits for each plan will be a challenge, one that will be made easier when an open discussion takes place and legislators, state officials, providers, the media and the average citizen can share their perspectives within an organized framework.

To create an open process that helps avoid misunderstanding and disagreement, PAR recommends that the governor and Legislature immediately establish by legislative joint resolution or executive order a permanent commission or task force to plan for and oversee the implementation of health care reform in Louisiana. Membership of the commission should be composed of state agency heads, legislative leaders and representatives of key health care providers and advocacy groups affected by reform. Issue-

oriented work groups could be used to expand expertise available to the board without creating unnecessarily large membership (and potential paralysis) on the decision-making body.

The commission should be directed to gather data related to health care reform at the federal and state levels, develop or propose strategic and operational plans for implementation and receive public input and provide information concerning all aspects of reform. It should also:

Review all available estimates of implementation costs and make recommendations to the governor and Legislature concerning the most efficient and cost-effective ways to implement the provisions of national health care reform.

Meet on a regular and frequent basis to conduct business in a manner fully in accordance with the open meetings law.

Invite input from the public, as well as provide extensive information to the public, about all aspects of health care reform and the activities of the commission.

Establish an independent website to facilitate dissemination of information and receipt of public comment.

At its initial meeting, the commission should adopt a work plan with an aggressive timeline to provide plans and recommendations to the governor and Legislature concerning all aspects of health care reform. Subject to changing conditions, the state timeline should ensure that Louisiana will be prepared to execute on schedule all requirements called for by the federal law. The commission would work closely with state agencies, including Department of Health and Hospitals, the Department of Insurance, the LSU Health Sciences Centers and the Health Care Services Division, all of which would provide staff assistance when needed by the commission.

The past year has demonstrated that the entire nation has an overwhelming interest in health care and how it will be changed. No useful purpose is served by planning for reform out of public view. The best way to set the record straight for a worried citizenry is to provide access to facts and ample opportunity for public input.

PAR has released a newsletter that further explains the initial cost estimates generated by DHH and its consultant Mercer. That issue of On the Health Record is available at www.la-par.org. PAR will continue to closely monitor the state's development of cost projections and implementation plans as Louisiana adapts its health care system to the new federal laws and regulations. Ongoing research will provide independently collected and verified information and analysis to contribute to the public debate about the best approaches to health care reform with an eye toward equity, efficiency, quality and long-term sustainability.

Jim Brandt is president of the Public Affairs Research Council of Louisiana.