

Coverage Expansion Curtailed by Budget Woes

BY DENISE NAPOLI

WASHINGTON — Massive budget shortfalls in 40 states coupled with greater demand for Medicaid coverage made it tough for states to expand health care coverage for their residents last year, according to the annual survey of state health care and insurance legislation conducted by the Blue Cross Blue Shield Association.

Indeed, these massive budget deficits and the current economic crisis meant that most expansion efforts fell short in 2008, even in high-profile states with governor backing, like California, New Mexico, and Pennsylvania, according to the annual State of the States report.

“There has not been a consensus [to mandate universal coverage] since Massachusetts, now going on 3 years ago,” said Susan Laudicina, director of state policy and research at the Blue Cross Blue Shield Association. And that effort is not likely to be repeated any time soon, though several states passed laws in 2008 to raise their coverage modestly or intend to phase in increased coverage in 2009.

Additionally, some states are now developing universal care strategies that they will try to pass into law in 2009, she said, including Connecticut, Hawaii, Minnesota, Oregon, and Washington.

Expansion of coverage for children was not spared from states' fiscal problems last year, according to the report. However, some states did modestly expand their Children's Health Insurance Programs (CHIP), including Colorado, Florida, Kansas, and Minnesota.

In New Jersey, the Health Care Reform Act (SB 1537) mandated coverage for all children under age 18 years, though without any minimum benefit requirements. “Parents can comply with the mandate program by purchasing a licensed private product or by enrolling in Medicaid or CHIP,” according to the report.

However, the funding source for such an expansion has yet to be determined, as does the enforcement mechanism.

The survey also reported on health care transparency efforts. In the 20 states that introduced such bills in 2008, nine laws were enacted, Ms. Laudicina said.

Some of these, like HB 1393 in Colorado, require hospitals to display charges for common inpatient procedures on a publicly accessible Web site. Others, like Louisiana's Right to Know Act (SB 287), require that the state's department of health and hospitals displays not only cost data, but also data on quality measures among medical facilities, individual physicians, and health plans.

Over the past 3 years, 33 states have en-

acted legislation promoting the adoption of electronic medical records, and bills are pending in 12 more, Ms. Laudicina said. The financial incentives for EMR adoption in the new stimulus package should mean that even more physicians and facilities implement EMRs voluntarily.

However, concerns about compliance with yet-to-be-set federal health IT standards will likely cause some states to put IT legislation on the back burner.

Other proposals considered by states in 2008 included mandated coverage of adult dependent children until age 25, 26, or even 30 years, said Alissa Fox, senior vice president of the Office of Policy and Representation at the Blue Cross Blue Shield Association. This possibility will remain on states' agendas in 2009.

The report is based on a survey of the 39 independent Blue Cross and Blue Shield companies across the nation. ■



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