

How to Produce Better Health Care Results for the Citizens of Massachusetts

On February 14th, two stories appeared in the Globe. One was entitled “Health Plans Sold via State Likely to Cost 5% More,” and the other was “One in Ten Patients Gets Drug Error.” Most people may not see any correlation between these two articles, but it is time for us to connect the dots. Both articles are indeed related to the same critical issues – the true cost of health care and how to produce better results in terms of cost and quality care for the citizens of Massachusetts.

Health insurance rate increases do not magically go down based on the Connector flexing its muscles with the insurers as one would believe by reading Ms. Dembner’s article, where she states that “the Connector had pressed insurers to curb increases... in the hope that they could set an example for the larger insurance market.” If the Connector Board believes that is all they need to do to produce lower rates, they do not have enough understanding of the market.

Now, consider the impact of reducing medical errors in our hospitals. The Globe article focused on results of drug errors in six community hospitals, but Ms. Wen brings in some really important information from a recent study released by the New England Healthcare Institute. The study estimated that “the average victim of a medication error stays in the hospital at least *four extra days*.” So, who pays for this? And what impact does the resulting malpractice liability claim have on the cost of health care?

These are issues we need to be looking at if we want to bring about affordability in health care. The Connector is not going to bring about affordability. The carriers are not going to bring about affordability, other than to increase copays here and there, tighten up their drug formularies, or shave a couple of points off their administrative costs.

We need to be looking at the underlying cost drivers. One of the best outcomes of our state’s health care reform legislation was the creation of the Health Care Cost and Quality Council. We must continue to devote state resources and priorities to support their work in bringing health care transparency and improved information technology to our residents. Health care reform will not be successful if decisions are made by people who do not fully understand the complexity and relationship of health insurance to health care. It is time to redirect our reform efforts away from the Connector and its emphasis on building a state-funded distribution model for health insurance products, and instead turn to a proactive model of health care reform.

The Massachusetts Association of Health Insurance Underwriters (MassAHU) looks forward to continuing the constructive debate on health care reform. Representing the needs of the thousands of employers who purchase health insurance in this state, MassAHU is committed to the continued participation in the Health Care Cost and Quality Council.

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