

# Sign-up push is on for health coverage

## Sweeping state law gets a major test

By Jeffrey Krasner, Globe Staff | December 29, 2006

The state's landmark law to broaden healthcare coverage is about to face its biggest challenge: persuading about 100,000 uninsured Massachusetts residents to sign up for health insurance and pay part of the bill.

Starting Tuesday, individuals who earn between \$9,804 and \$29,412 annually can purchase subsidized health insurance called Commonwealth Care. Those who don't do so by July 1 will face penalties, including the loss of their personal state income tax deduction.

But getting them to pay for health coverage poses a marketing challenge for the four health plans that have exclusive rights to sell the subsidized insurance for three years under the law that was enacted in April. To entice residents to sign up, insurers are rolling out an advertising campaign that includes billboards and radio spots. They are also offering incentives such as gift cards to Target and [Wal-Mart](#), discounts for Pilates and yoga classes, and reimbursement for Weight Watchers membership. And the state is planning to supplement the advertising with its own educational and outreach programs.

Lower-income residents' monthly premiums will depend on their income. Many low-wage earners have gotten by for years without insurance, relying instead on walk-in clinics and free emergency-room care. They may not want to pay for something that they have received at no cost.

"That will create a formidable marketing challenge for the four plans to explain this new program. It needs to be explained on an individual basis," said John E. McDonough, executive director of Health Care For All, an advocacy group that played a key role in shaping healthcare reform.

The plans selling the subsidized insurance are HealthNet, part of Boston Medical Center; Neighborhood Health Plan, which focuses on community health centers in the Boston region; Network Health, part of Cambridge Health Alliance, a regional system that serves low-income residents; and Fallon Community Health Plan, an HMO that is strongest in Worcester and surrounding communities. The basic elements of the plans are determined by the Commonwealth Health Insurance Connector Authority, which is overseeing implementation. The state has contact information for about 73,000 of the uninsured residents because they have previously received free care from hospitals or other providers. The Connector will mail letters to them over nine weeks starting Tuesday, informing them of the program and urging them to choose a plan.

Each insurer is required to offer three levels of coverage with the same mandated benefits. The least expensive level is for residents at the lower end of the income range and includes copayments of \$10 or less for visits to doctors, \$50 copays for hospital stays, and comprehensive prescription drug coverage. Other benefits of the basic package include ambulance service, comprehensive care for mental health and substance abuse, rehabilitation services for a variety of

diseases, and free eyeglasses every two years.

"These plans are equivalent to anything you'd get in the commercial world," said Melissa Boudreault , director of Commonwealth Care for the connector.

Two more expensive subsidized plans are for residents with higher incomes. They provide the same benefits, but have additional out-of-pocket expenses.

Monthly premiums for those in the lowest income bracket range from \$18 to \$58, depending on which insurer they choose. Subscribers whose income is near the top of the subsidized-plan range will pay from \$70 to \$180 monthly. Family coverage is also available under the subsidized plans. For example, a family of four would qualify if its annual income is between \$20,004 and \$60,012.

The plans have already started promoting the new insurance. HealthNet has paid for billboard, bus, print, television, and radio advertising. In addition to traditional advertising, Network Health is working with community groups and charities, and reaching out to doctors who treat uninsured patients.

"You have a real challenge telling people who aren't insured what coverage is and why you should pay every single month even if you're not sick," said John Cragin , senior director of Commonwealth Care for Boston Medical Center/HealthNet. "But you're also trying to reach employees of companies that don't offer health insurance and part-timers earning between \$20,000 and \$30,000 who don't qualify for benefits."

Ultimately, the threat of penalties could make the difference in persuading many to sign up, said Michael Nickey , manager of Connector programs for Neighborhood Health Plan.

"These folks in general have a desire to be in the healthcare system," he said. "It's important to promote the importance of comprehensive healthcare. But if individuals don't have health insurance, there will be consequences to that, and it's an integral part of the law."

Despite the state mandates, the plans will be able to compete on three fronts:

The geographic networks of hospitals and clinics each provide. For instance, HealthNet has coverage throughout most of the state, while Fallon is mostly limited to central Massachusetts and some communities near Boston.

Prices. For instance, the basic-level plan in Greater Boston will cost \$18 a month through HealthNet, but \$58 through Neighborhood Health Plan.

Add-on health and wellness programs in all three levels of coverage.

Plan officials emphasized aspects of their insurance that they say will win them customers.

"We're the only Commonwealth Care plan that's available throughout the Commonwealth," said Cragin.

Deborah Enos , chief executive of Neighborhood Health Plan, said the insurer will provide its services largely through community health centers -- places where many potential members already go for care.

At Network Health, executive director Christina Severin said her company will focus on value and low premiums. It has the lowest or second-lowest prices for all levels of coverage.

Each plan is also striving to outdo the others by including features and programs that range from practical to gimmicky. Fallon will reimburse members up to \$200 for health club memberships, Weight Watchers, yoga and Pilates classes, as well as offering chiropractic care.

Neighborhood Health Plan will give members their choice of a \$25 gift card to [CVS](#), Target, Walgreen's, Wal-Mart, and other retailers when they visit a doctor for the first time, and they will receive a \$25 Stop and Shop gift card after completing a health questionnaire. Network Health will also hand out a \$25 gift card for an initial doctor's visit, and a \$10 gift card to Brooks Pharmacy for diabetes patients who get screenings.

The various strategies provide insight into the challenges of persuading low-income residents to start paying for health insurance.

"It's hard work," said Beth Helenius, Fallon's senior director of business and product development. "These people tend to wait until something is really wrong before they go to the doctor. It's going to take time before they take advantage of the benefits of being part of an insurance plan."

Jon Kingsdale , executive director of the Connector, said health insurance can be a tough sell.

"We'll be very interested to see how many of the eligible population we can reach, how many are interested and how many buy," he said. "You cannot underestimate how many times you have to hit people with a message before they hear it and respond to it."

But some are already encouraged by the initial response to the fully subsidized plans that went into effect in October and now cover about 29,000 residents of the estimated 47,000 whose annual incomes are below the federal poverty level.

"We've learned that it's really easy for people to critique the healthcare reform law," said Severin, of Network Health. "But we recently enrolled a 28-year-old who hadn't been to the doctor in 10 years. These people are thrilled with Commonwealth Care, and they think it's really meaningful to them."

Jeffrey Krasner can be reached at [krasner@globe.com](mailto:krasner@globe.com).

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