

FOR IMMEDIATE RELEASE:
March 8, 2007

CONTACT:
Dick Powers

CONNECTOR BOARD ENDORSES PLANS FROM SEVEN CARRIERS
Affordability and Choice are Hallmarks of Plans of Connector Plans

Insurance products unanimously endorsed today by the Commonwealth Health Insurance Connector Authority board of directors will offer a wide assortment of affordable products for individuals and small businesses to choose from through the Connector beginning May 1. The plans offer a choice of deductibles ranging from zero to \$2,000 with prescription drug coverage.

The Commonwealth Choice plans will cost as little as \$175 per month for the average uninsured individual in the most expensive eastern region of the state. Identical plans in central and western Massachusetts will cost about \$154 per month.

By way of comparison, a preferred provider organization plan without prescription drug coverage currently offered to the average uninsured person through the non-group market in the eastern region costs \$335 per month.

“The three most appealing entrees on this menu are choice, choice and choice,” said Connector Authority Executive Directory Jon Kingsdale. “The recognition that one size does not fit all will allow individuals and small businesses to choose plans that fit both their medical needs and their wallets.”

The insurance carriers whose products earned the Connector Seal of Approval are Blue Cross and Blue Shield of Massachusetts, ConnectiCare, Fallon Community Health Plan, Harvard Pilgrim Health Care, New England Health, Neighborhood Health Plan and Tufts Health Plan.

Three levels of plans vary by price and cost sharing, but all offer comprehensive coverage, including inpatient and outpatient medical care, emergency care, mental health and substance abuse services, rehabilitation services, hospice and vision care.

Kingsdale noted that the Connector Authority will have a state-of-the-art website this spring that will help people to easily navigate through the benefits and pricing levels when choosing a plan.

At the Basic level, key differentiating elements include:

PRICE: For the typically uninsured 37-year-old in the most expensive eastern region, monthly premiums for plans that include prescription drug coverage range from \$175 to \$288 per month. If purchased on a pre-tax basis through an employer’s Section 125, the net cost of the \$175 plan is reduced to \$109.

DEDUCTIBLES: The lowest is zero and the highest is \$2,000 per year with deductibles from some at \$1,000 and \$1,500. Of the four with \$2,000 deductibles, three allow unlimited office visits subject to only a co-payment prior to the deductible.

PRESCRIPTION DRUG COVERAGE: Coverage is being offered by all seven carriers. Six of the seven cover prescription drugs prior to the annual deductible. Two have separate prescription drug deductibles, \$100 for one and \$250 for the other.

PREVENTIVE CARE PHYSICIAN VISITS: Co-pays will range between zero and \$35. All plans will provide at least three preventive care visits for individuals and six for families before the deductible can be applied.

OFFICE VISITS: Co-pays range from \$25 to \$50 while one carrier pays for 80 percent of the visit.

OUTPATIENT SURGERY COST-SHARING: They range from no charge after the deductible, to a \$150 to \$250 co-pay after the deductible, to 20 to 35 percent co-insurance.

ROUTINE VISION EXAM: Co-payments range from zero to \$35.

The Connector board of directors also gave its Seal of Approval today to plans that do not offer prescription drug coverage. The eastern region plan for the typical 37-year-old would cost \$156 per month while the same coverage in central and western Massachusetts would cost \$137.

Whether those plans will remain available through the Connector will be determined by the board of directors at its March 20 meeting when it establishes standards for minimum creditable coverage. Under proposed standards, Massachusetts would become the first state in the nation to limit annual deductibles for all insurance products.

Kingsdale characterized minimum creditable coverage as analogous to minimum wage in the protection it provides for many workers.

“With minimum creditable coverage, we will be raising the floor about what insurance should be,” said Kingsdale. “Important building principles include guarantees that is no lifetime limit on what an insurer pays, nor are there daily or annual limits on reimbursements, so it is full and true insurance. We will establish yearly out-of-pocket limits to protect people from unexpected health crisis and we will provide up-front, preventive services that are critical in avoiding costly hospitalizations.”