

Commonwealth of Massachusetts

Executive Office of Health and
Human Services



Prevent Cancer Foundation Dialogue for Action

Secretary John Polanowicz

March 21, 2013



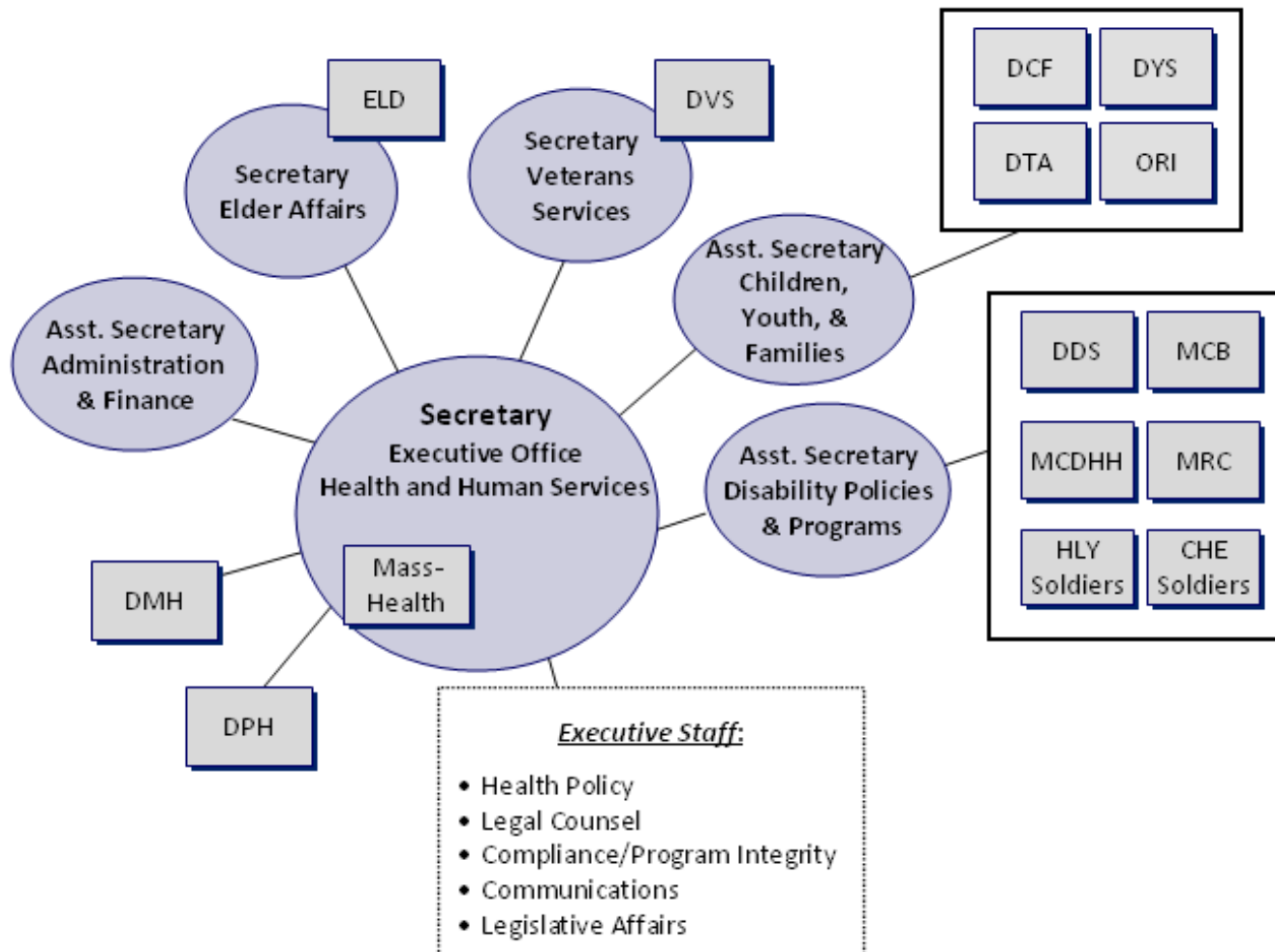


A View from the Frozen Tundra





The Executive Office of Health and Human Services





Chapter 58 of the Acts of 2006 Massachusetts Health Reform



- Subsidies to low-income individuals to help them obtain insurance coverage
- Easy to shop for insurance through the Health Connector
- Penalties for individuals without insurance and for employers who do not provide insurance

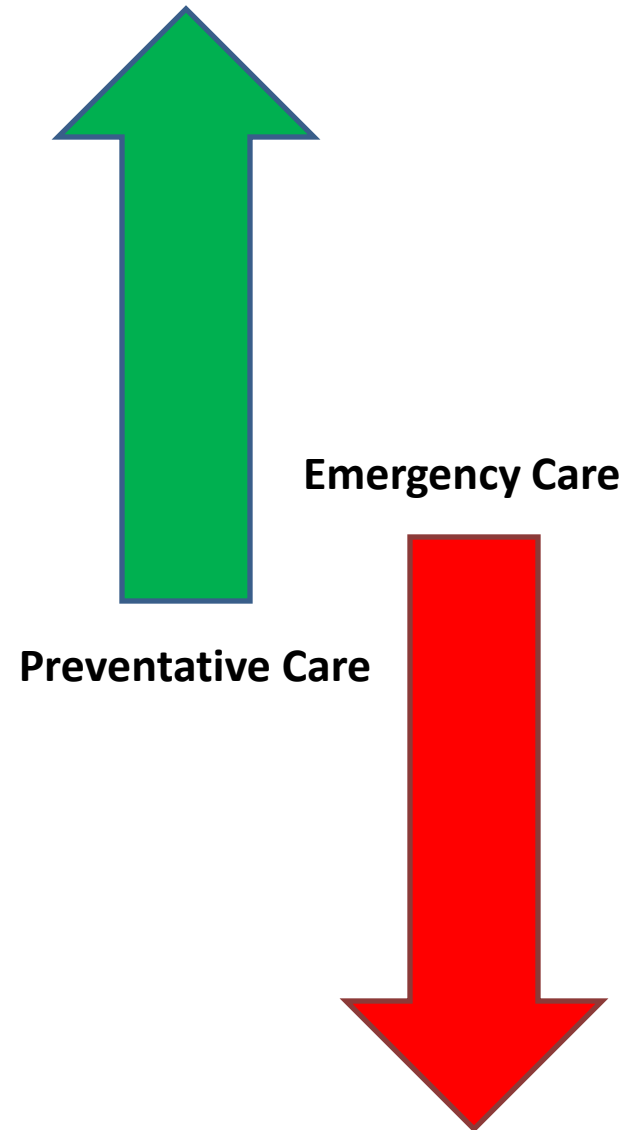


Six Years Later...



A few highlights:

- More than 400,000 people have gained coverage
- 97% have insurance
- 90% have a primary care physician
- 4 out of 5 have seen their doctor in the past year





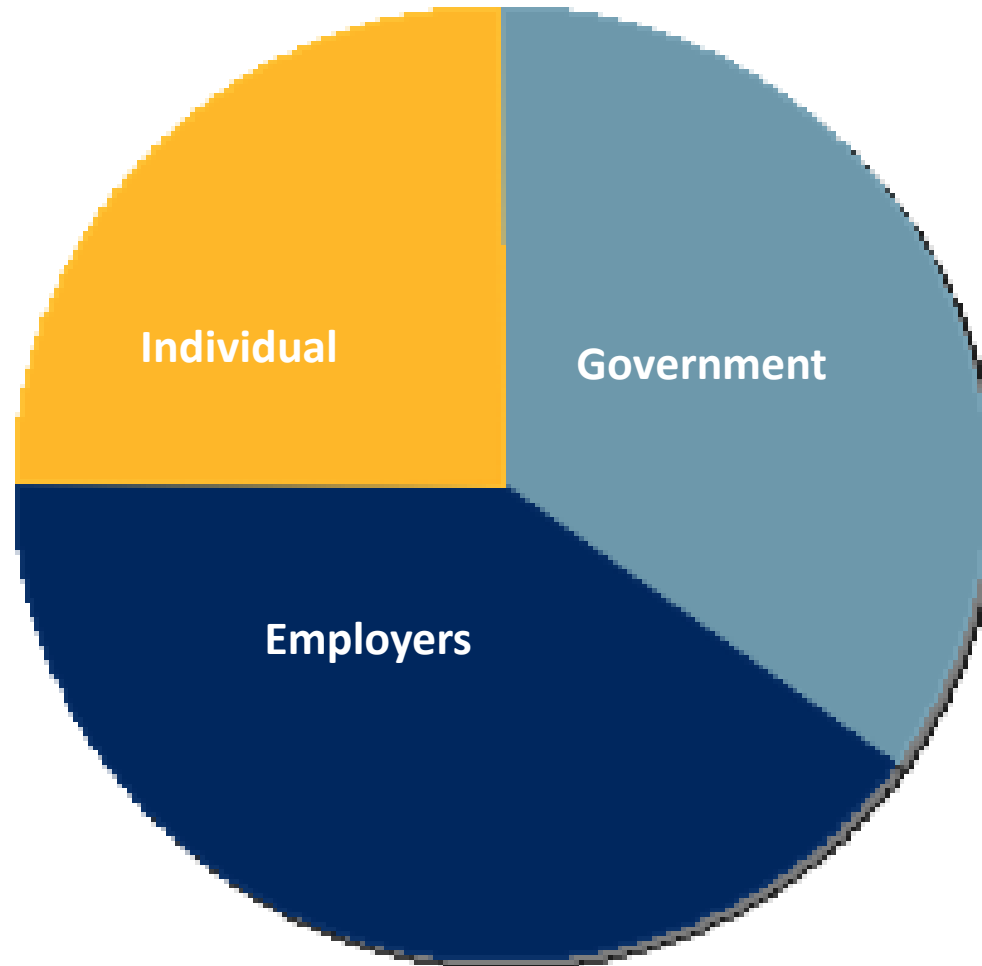
Sure, that sounds great. But a few questions....



- Isn't it going to break the budget?
- Is this a government takeover?



Shared Responsibility Framework

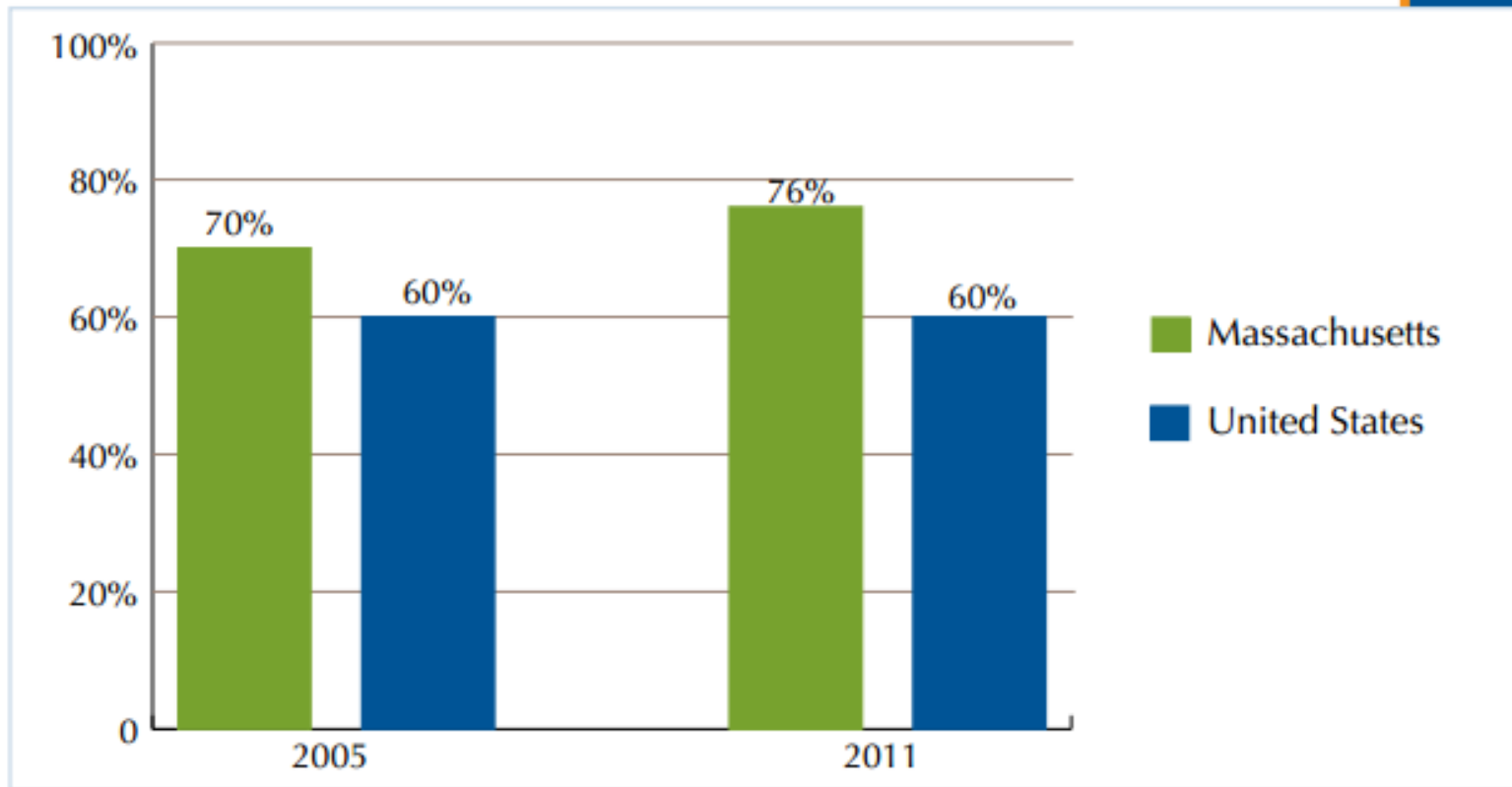




Employers Who Provide Health Insurance



Figure 6: Employers Offering Health Insurance: Massachusetts Compared to the Nation



Source: Massachusetts Employer Surveys (MES), Kaiser/HRET Survey of Employer Sponsored Benefits



Jaclyn Commonwealth Care Member



Cancer free for two years:

"If I didn't have health insurance, I would never have made an appointment with my doctor because of the cost. The cancer would have spread and I would not be alive today to tell my story."

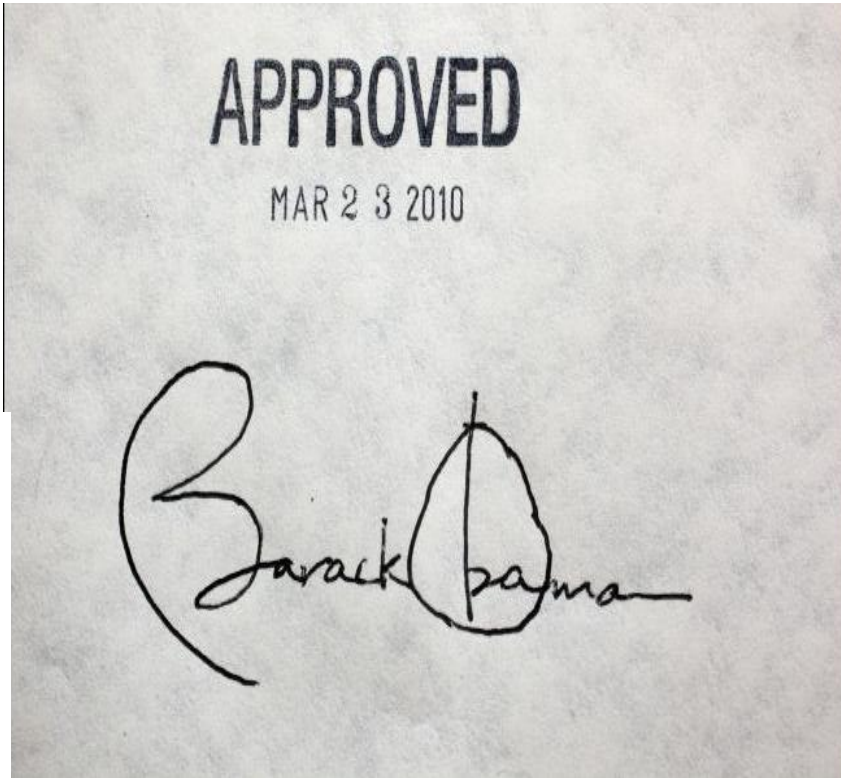


HealthConnector

Health Insurance for Massachusetts Residents



Affordable Care Act



- 30 million Americans without health care will have it
- Over 5 million on Medicare saved more than \$3.7 billion in the first two years of the law
- Over 3 million more young adults now have coverage through their parents



Affordable Care Act Promotes Prevention



- Requires insurance companies to cover preventive care without co-pays
- Extends free preventive services to Medicare beneficiaries
- Expands coverage through Medicaid
- Provides subsidies to low and middle income families to help afford coverage
- Can't be denied for a pre-existing condition
- Can't terminate coverage just because they become sick



Challenges



1. Lowering Health Care Costs

1. Preventing Disease



Challenge: Lower health care costs without hurting the quality of care, near-universal coverage

United States

- Spends more per person on health care than any other country in the world
- 20-30% of health care spending is wasted

Massachusetts

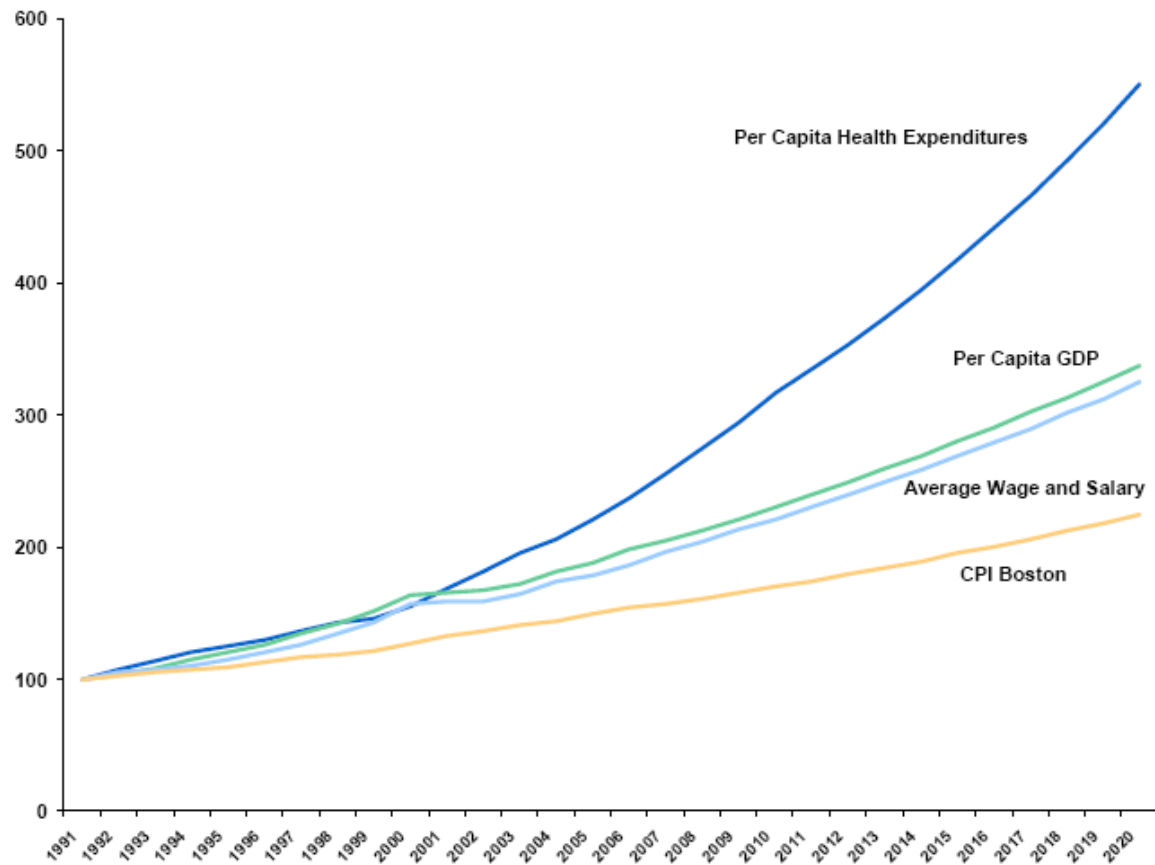
- We spend \$68 billion each year



Rate of Health Care Cost Growth



Historic and Projected Index of Health Expenditures Per Capita and Other Indicators in MA, 1991-2020





50,000

1. Individual Policyholders
2. Small businesses received nearly \$57 million in rebates

Average premium increases

2006: 16.0%

2012: 1.4%

Results: June 2012





Chapter 224 of the Acts of 2012: Health Care Cost Containment

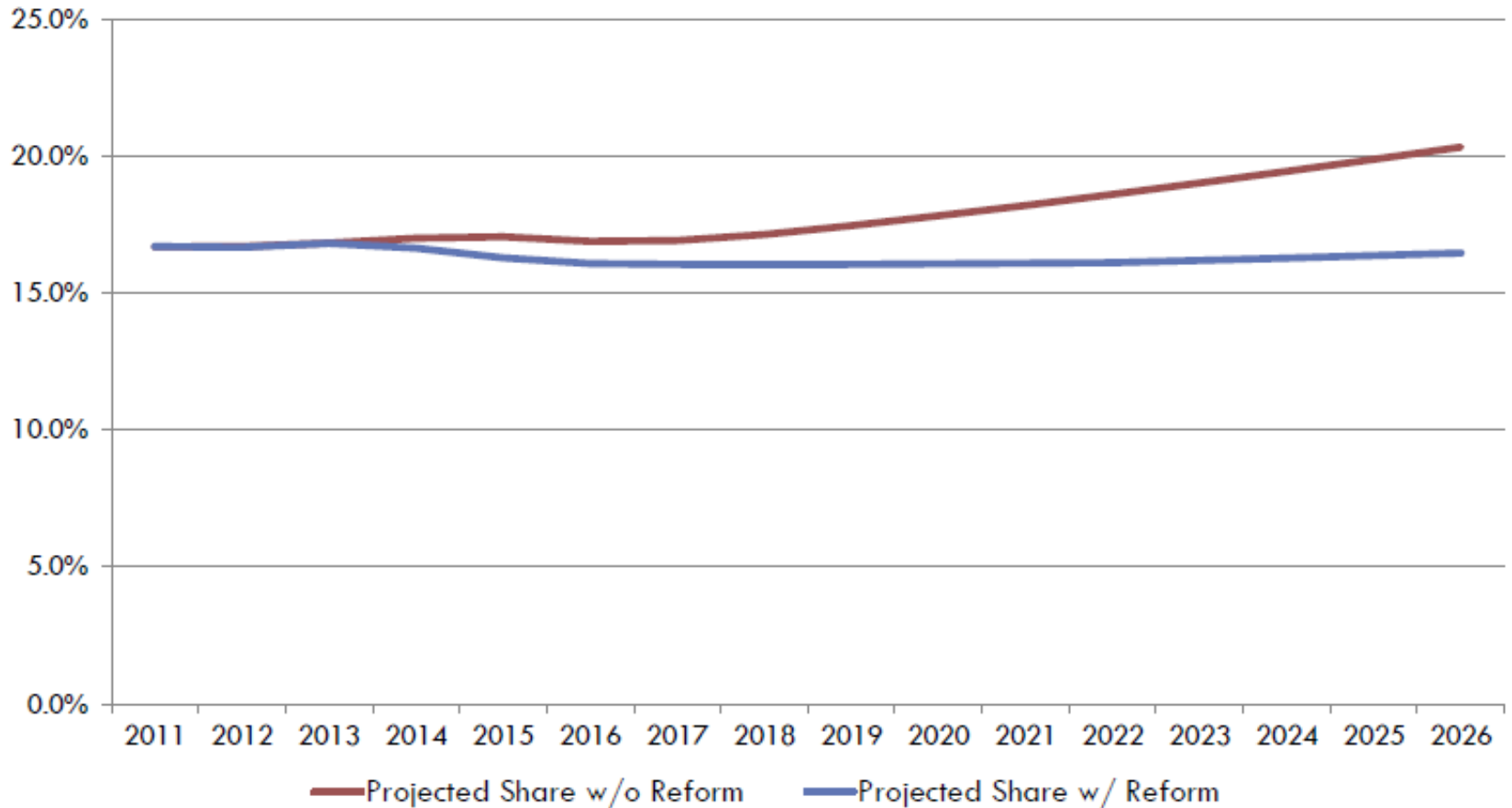


**Improving the
Quality of Health
Care and Reducing
Costs Through
Increased
Transparency,
Efficiency and
Innovation**





Projected Government Health Care Expenditures



As a percentage of GDP, 2011 - 2026

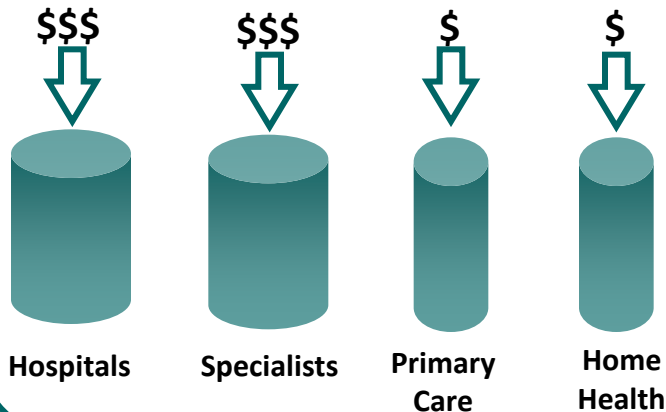


Payment Reform

Current Fee-for-Service Payment System

The Problem

Care is Fragmented instead of coordinated. Each provider is paid for providing care piecemeal, and no one is responsible for coordinating care. The incentives promote more volume of care.



Patient-Centered Global Payment System

The Solution

Global payments made to a group of providers for all care. Providers are not rewarded for delivering more care, but for delivering the right care to meet patient's needs.



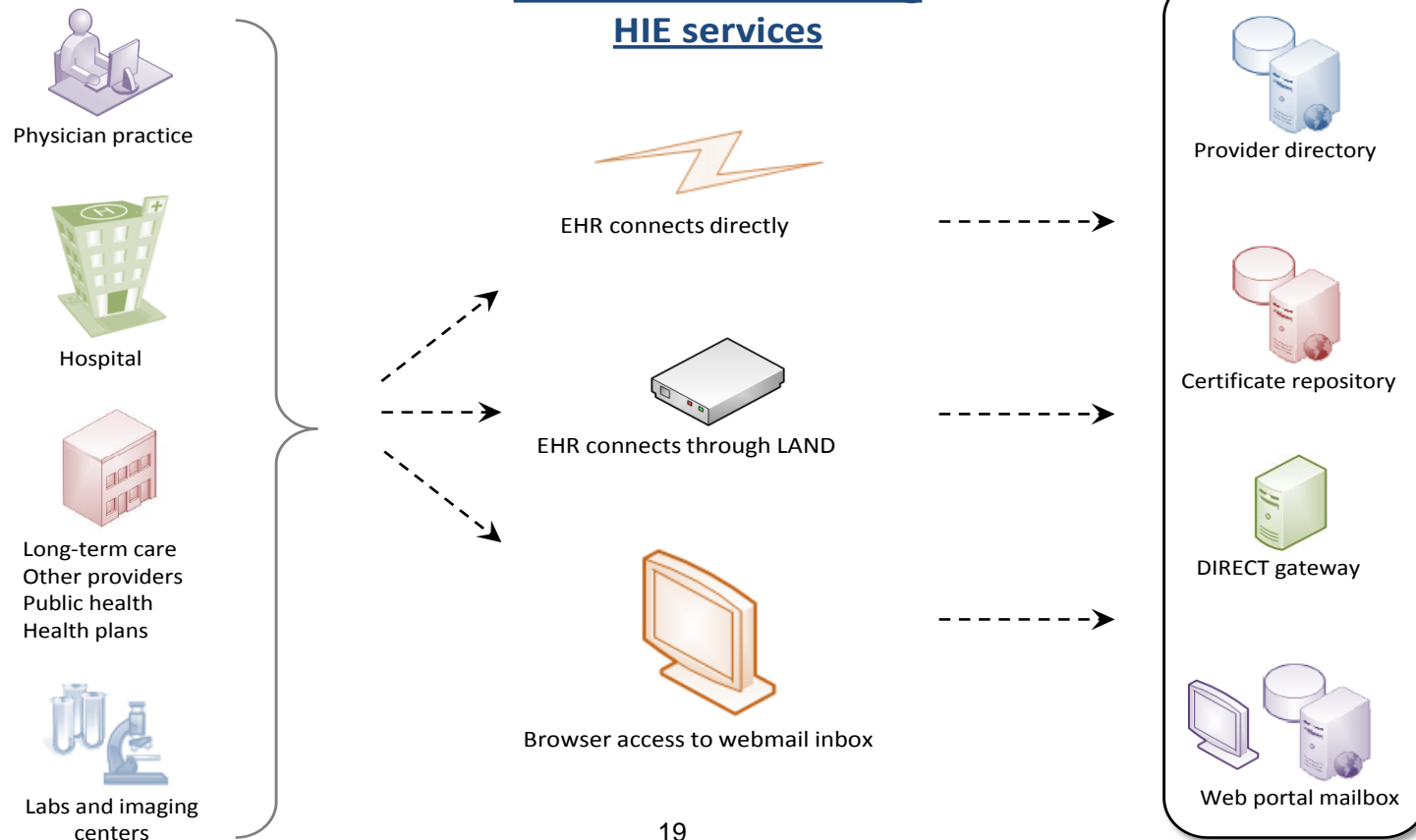
Adapted from: Massachusetts Special Commission on the Health Care Payment System, "Recommendations of the Special Commission on the Health Care Payment System (Boston: SPHCP, July 16, 2009).



Health Information Exchange

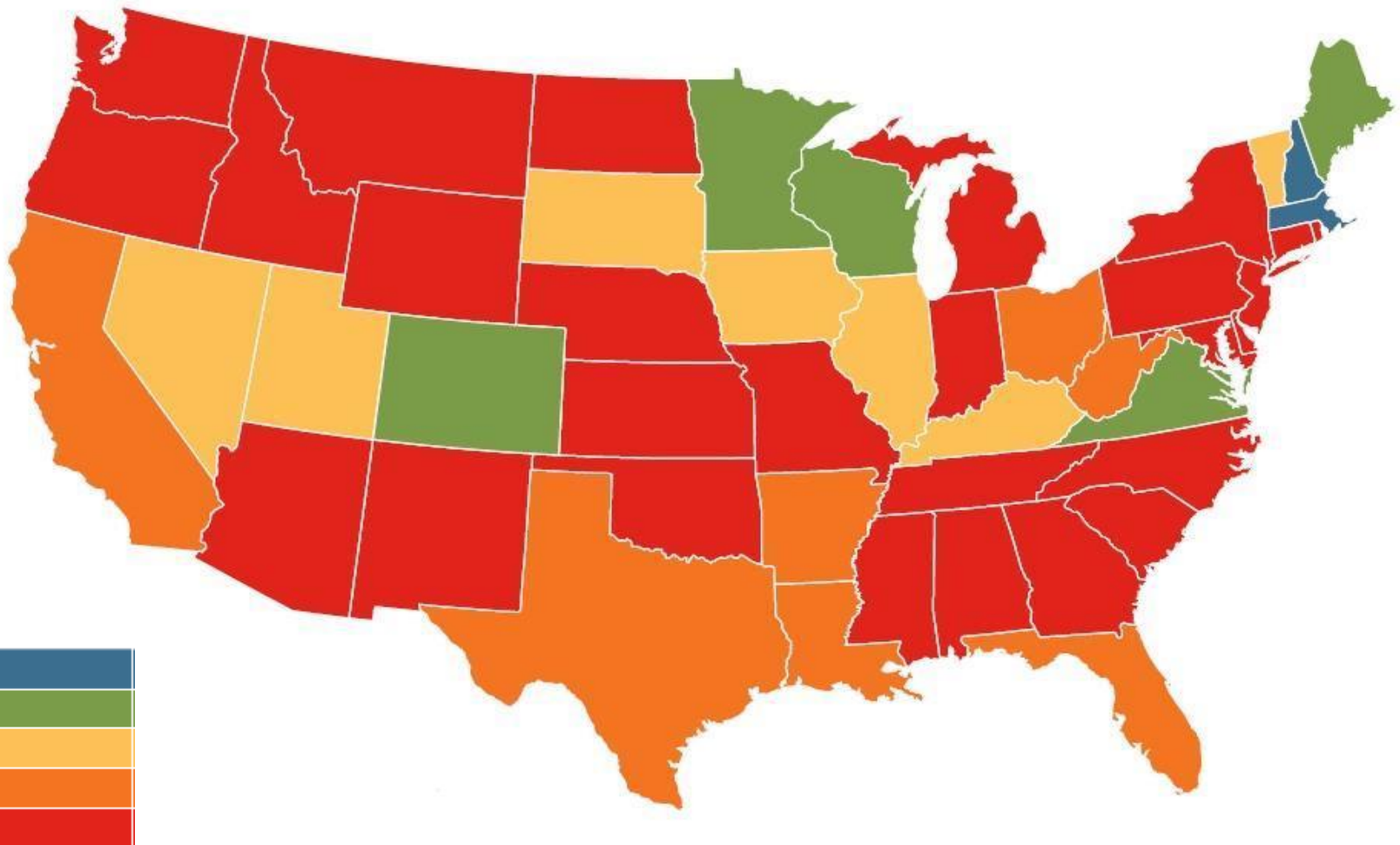


3 methods of accessing HIE services





Massachusetts Get's an "A" for Transparency





Second Challenge: issue of prevention

The best way to not only to bring down costs, but to keep people healthy





Case Study: Obesity



3 out of 5 Massachusetts adults are
overweight or obese

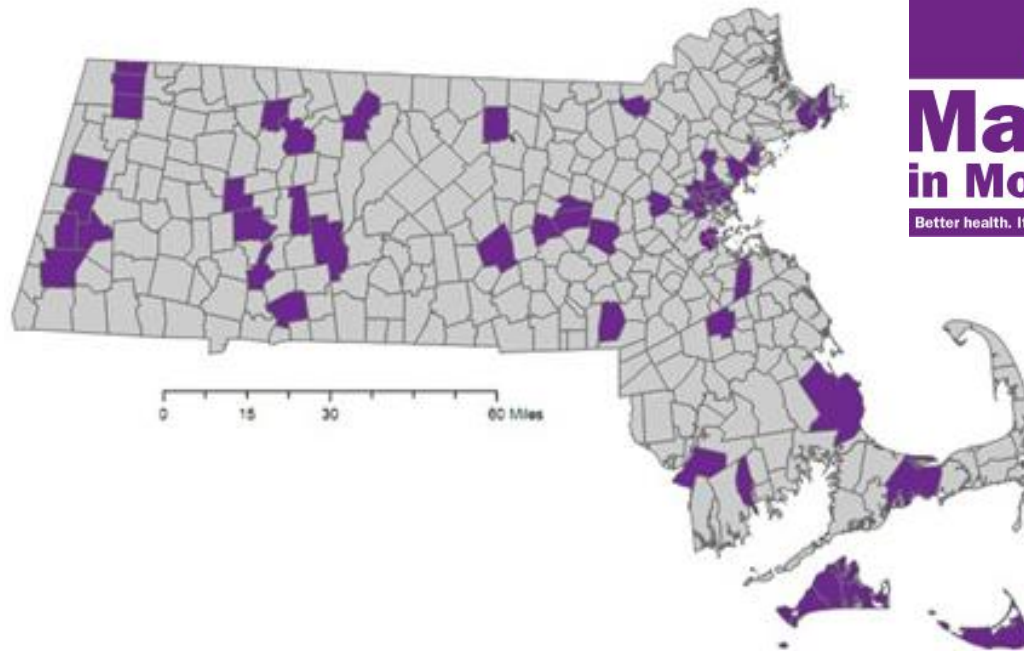




Mass in Motion



A statewide movement that promotes more opportunities for Massachusetts residents to eat better and move more in the places they live, learn, work and play.



52 cities and towns representing 33% of the state population



Added sugar intake increases a child's propensity towards obesity by 60%

Eliminating the sales tax exemption for candy and soda will raise \$53M / year





Smoking Cessation Benefit



First 30 months of
MassHealth smoking
cessation benefit saw a
26% reduction in smoking
rates and 75,000 people quit.



NEW VILLAINS

IN VARIOUS FRUIT AND CANDY FLAVORS

SWISHER SWEETS
FOIL WRAP
MINI CIGARILLOS

JACKSONVILLE, FL
SWISHER SWEETS
SWISHER INTERNATIONAL, INC.



RICHMOND, VA
WHITE OWL
SWEDISH MATCH U.S.

Middleton's
Black & Mild
Apple

RICHMOND, VA
BLACK & MILD
JOHN MIDDLETON CO.

Black & Mild
NEW

RICHMOND, VA
BLACK & MILD
JOHN MIDDLETON CO.

2 CIGARETTES FOR 99¢
WHITE GRAPE
SWEDISH MATCH U.S.

RICHMOND, VA
WHITE OWL
SWEDISH MATCH U.S.

EMERGING THREATS

TOBACCO IN DISGUISE

Sell n' Fresh
3 CIGARETTES
PHILLIES
sticks

Camel
orbs
TOBACCO ALTERNATIVE
WARNING:
This product is not
a safe alternative
to cigarettes.

Camel
snus
TOBACCO ALTERNATIVE
WARNING:
This product is not
a safe alternative
to cigarettes.

Marlboro
ORIGINAL
TOBACCO
STICK
SKOAL
WARNING:
This product can cause
mouth cancer.
40 SMOKELESS
TOBACCO STICKS



“Better is possible. It does not take genius. It takes diligence. It takes moral clarity. It takes ingenuity. And above all, it takes a willingness to try.”

Atul Gawande, surgeon at Brigham and Women's Boston, MA