

Health Law and Policy Update: January 11, 2013

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This week's updates

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What's New

Legislative Session Begins

Health and Governor Hickenlooper's State of the State

In the words of Governor John Hickenlooper, "Belief in a better tomorrow is the story of the West," and according to yesterday's State of the State address, he believes the coming year can bring about positive changes to Colorado's health care systems, both public and private. After announcing Colorado's intent to expand the Medicaid program under the guidelines of the Affordable Care Act last week, Hickenlooper used the address to call on the State Legislature to help expand coverage in a way that "increases value, reduces expenses and doesn't require additional General Fund dollars." He also reflected on another health achievement, the passage in 2009, of HB 09-1293 that funded a number of Medicaid program expansions, including most recently coverage for 10,000 Adults without Dependent Children (AWDC). The Governor also talked about the need to continue working on other issues, like housing, that would greatly impact the homeless population.

Hickenlooper said that he wants to make Colorado the best state for business. He touted the bipartisan support that brought about the Colorado Health Benefit Exchange (COHBE) and how COHBE will help small businesses and consumers to access "efficient and cost-effective" insurance. He stressed the importance of preventative health, and noted other plans for the workplace include "working collaboratively with state employees to create a wellness program that lowers healthcare costs by improving the health of our workforce."

Finally, Hickenlooper asked for the legislature's support in creating "a comprehensive overhaul of our state's mental health system," in the wake of the Aurora theater shooting. "We ask you to pass

legislation that will update civil commitment laws, make it easier to identify people with mental illness who are a danger to themselves and others and provide safer, more humane systems for their treatment."

CCLP looks forward to continuing our work on the Medicaid expansion, the implementation of COHBE, and other efforts to improve access to health and health care for all Coloradans during this legislative session..

[Click here for the full speech.](#)

Increasing Coverage for Children

[SB13-008](#) (Sen. Linda Newall, Rep. Ellen Roberts), introduced this week, would eliminate the waiting period for entry into CHP+.

In order to be eligible for the Colorado Children's Basic Health Plan (CHP+) today, children must have been uninsured for at least three months. This three month "waiting period" requirement was the state of Colorado's method of mitigating or preventing the potential effects of "crowd out". Crowd out is the phenomenon whereby people drop private health insurance in order to take advantage of public coverage.

The Georgetown University Health Policy Institute's Center for Children and Families published a comprehensive [summary](#) of crowd out, including the issues raised by the policy.

According to that summary:

Strategies to reduce crowd out, such as waiting periods, can cause children to remain uninsured or delay their enrollment in coverage. Research has shown that uninsured children generally have less access to medical care, especially primary care, and as a result may receive more costly care in emergency rooms or may altogether delay or forgo care necessary for their healthy development. Delayed or forgone care of uninsured children can have adverse effects on their health and can make treatments more costly when a child is able to obtain coverage or secure medical services.

Colorado is now proposing to drop the three month waiting period requirement in the interest of streamlining eligibility for insurance coverage for children. The bill is a particularly good idea as we move into 2014, when individuals will be required to have health insurance coverage.

CCLP strongly supports this bill. We'll keep you informed as it moves through the legislature.

New Mexico announces plans to expand Medicaid

Residents of New Mexico received great news on January 9 when republican Governor Susana Martinez [announced](#) plans to expand Medicaid, which will result in an [additional 170,000](#) low

income individuals gaining access to much needed health care coverage. Similar to Colorado, New Mexico based its decision in part on the fact that expanding Medicaid will mean a substantial increase in federal funding to the state to cover most of the costs associated with expanding. New Mexico launched an effective video campaign in November 2012 called [Medicaid Rocks](#). This campaign was very effective at showing the faces of New Mexican providers, children, parents and workers that support Medicaid.

Advancing the Debate

Denver consumers say health care costs are serious toll on household budgets

A [recent publication](#) from the Robert Wood Johnson Foundation reports on consumer attitudes about the rising cost of health care based on focus groups conducted in Denver and three other cities. Participants included those with employer-sponsored coverage, privately purchased insurance, Medicare beneficiaries, and uninsured individuals. The findings indicate consumers are very conscious of health care cost increases and are ready for change.

Participants were keenly aware of increasing health costs and most could describe exactly how much they spent on care each month. Escalating costs have created "anger, fear, frustration, anxiety helplessness, and confusion," as consumers fight to meet all household budget needs. Very few participants believed that increasing Medicaid or Medicare rolls were the impetus behind increases, but instead cited high insurance company and hospital profits, increased hospital building, and new and expensive technology and pharmaceuticals. Although participants were not exactly clear on the reasons behind cost increases, they have begun to alter their behavior to accommodate the changes. Many participants have tried to adopt healthier living styles, while others have put off starting a family, taking vacations, or other large financial investments. In addition, the report describes participants who are going without needed care, for example such as having a broken bone set or taking their children in for regular visits. In this climate of anger and frustration, participants identified the need for clear and transparent information; they want the ability to compare prices across providers, know how much a service will cost before it takes place, and get clear information about quality.

What's Next

Colorado Consumers' Recommendations for Health Exchange

On Monday, January 14, 2013, leaders from Colorado Consumer Health Initiative, Colorado Center on Law and Policy and CoPIRG Foundation will release focus group and organizational survey findings and recommendations on how to best implement the navigator program for the Exchange at the monthly [COHBE board meeting at COPIC, 7351 East Lowry Blvd.](#)

The presentation will inform the COHBE board, staff and public about how Colorado Health Benefit Exchange navigators can best help Coloradans choose and enroll in health insurance plans.

