



Blue Ribbon Commission for Health Care Reform

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Blue Ribbon Commission for Health Care Reform Begins Evaluation of “5th Proposal”

Denver, Colo., Oct. 1, 2007 – The Blue Ribbon Commission for Health Care Reform (also known as the 208 Commission) has approved a draft “5th proposal” for comprehensive health care reform. Today, that proposal was submitted for technical evaluation to determine cost and coverage impacts.

Earlier this year, the Commission solicited health reform proposals from interested parties statewide. Of the 31 proposals submitted, the Commission identified four for additional consideration – leaving itself the opportunity to develop an additional proposal of its own.

At a Commission meeting on Monday, Sept. 24, Commissioners approved the first draft of that proposal. Key features include the following (a detailed overview is also attached):

- Combining Medicaid and the Child Health Plan Plus and expanding eligibility for the programs, including creating a buy-in program to allow the working disabled to purchase Medicaid coverage;
- Requiring individuals to have insurance and enforcing the requirement through a tax penalty, while offering subsidies to make it more affordable for low-income households and exempting those at certain income levels for whom the cost of insurance would amount to more than nine percent of income;
- Requiring employers to provide payroll deduction/pre-tax plans to help employees purchase insurance on their own;
- A “Connector” and “Coverage Clearinghouse” to facilitate individual choice of plans, access to subsidy and information.
- Reforms to the individual insurance market, including changes to Cover Colorado (the existing plan for people with serious conditions who would otherwise be uninsurable) to make it more affordable;
- Administrative simplifications to reduce costs, such as standardized claims forms and prior authorization procedures, and others;
- Mechanisms to increase use of preventive care and promote wellness;
- Support for the creation of electronic health records and other health information technology through tax credits and other mechanisms;
- Optional “24-hour coverage” to allow employers to combine life, health and disability coverage;
- A voluntary “continuous coverage option” similar to Medicare that would allow people to maintain coverage regardless of changes in employment or health status.

The Commission continues to work on additional elements that do not lend themselves to economic modeling, such as quality improvement/assurance, end-of-life care, and others.

“We’re proud that this diverse group of Commissioners was able to reach agreement on this proposal,” said Commission Chair William N. Lindsay. “We look forward to reviewing the first round of evaluation results and to refining the 5th proposal based on those results.”

(more)

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The first round of evaluation results is due in mid-October.

The Commission was guided by the following principles as it develops its proposal:

- Protect and improve the health status of all Coloradans
- Expand coverage of essential health care services for all Coloradans, with an emphasis on the uninsured and underinsured
- Align incentives to provide high-quality, cost-effective and coordinated care
- Support a system that is financially viable, sustainable and fair
- Provide opportunities for meaningful choice and encourage personal responsibility
- Emphasize wellness, prevention, health education and consumer empowerment

In addition, the Commission strove to address other priorities in the fifth proposal:

- Seamless coverage: Ensure that families can be covered under one umbrella (i.e., members of the same family will all qualify for the same coverage, rather than being split among Medicaid, CHP+, etc.).
- Facilitate access to basic coverage with an emphasis on wellness and personal responsibility.
- Leverage federal dollars.
- Build upon the existing system.

About the Commission

Colorado has approximately 792,000 uninsured residents with nearly 180,000 of them children. Public opinion polls show concern about health care as the top issue for Americans. Coloradans, like most Americans, are anxious for solutions to the rising cost of health care and the growing number of people who cannot afford health insurance or who do not have adequate coverage.

The Blue Ribbon Commission for Health Care Reform was created by the Colorado Legislature in 2006. The Commission is charged with making recommendations for comprehensive health care reform with the goal of increasing health care coverage and decreasing costs for Colorado residents, with particular emphasis on the issues of the uninsured, underinsured, and those at risk of financial hardship due to the costs of medical care. The Commission is required to make final recommendations for comprehensive health care reform to the General Assembly by January 31, 2008.

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