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Access and Affordability: An Update on Health Reform in Massachusetts, Fall 2008

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http://content.healthaffairs.org/cgi/content/abstract/hlthaff.28.4.w578?ijkey=kq.AYAcHKJBb6&keytype=ref&siteid=healthaff

Synopsis

More than two years after implementation of its landmark health insurance reforms, Massachusetts had achieved historically high levels of coverage and widespread improvements in access to care, according to this study—the latest in a series of updates, funded by the Blue Cross Blue Shield of Massachusetts Foundation, The Commonwealth Fund, and the Robert Wood Johnson Foundation, on implementation of the state's reforms. The authors find, however, that constraints on provider capacity and rising health care costs—trends that predate reform—have eroded some of the gains. Massachusetts is now seeking ways to contain costs and expand provider capacity, including a proposal to shift from fee-for-service provider payments to global fees that emphasize care coordination and collaboration.

"Although major expansions in coverage can be achieved without addressing health care costs, cost pressures have the potential to undermine the gains under health reform."

The Issue

Massachusetts' health care reform efforts continue to evolve, offering important lessons for national reform.

Key Findings

- From 2006 to 2008, access to care improved markedly. For example, adults were more likely to have: a usual place to go for care (up 4.5 percentage points); a preventive care visit in the past 12 months (up 6.0 percentage points); and a dental care visit in the past 12 months (up 7.6 percentage points).
- After declining from 2006 to 2007, the share of adults reporting they did not get needed care in the previous 12 months increased from 2007 to 2008. The increases were statistically significant for specialist care and medical tests, treatment, or follow-up care.
- In 2008, about one of five adults reported being told a doctor's office or clinic was not accepting new patients or patients with their type of coverage. Problems obtaining care were concentrated among adults with family incomes below 300 percent of the federal poverty level—particularly those enrolled in public programs.

- From 2006 to 2007, the share of adults reporting problems paying medical bills or having medical debt decreased (by 2.7 and 1.4 percentage points, respectively). But by the fall of 2008, the shares of adults reporting such problems had begun to increase, moving back toward 2006 levels.

Health Care Costs Under Health Reform for Adults Ages 18–64 in Massachusetts, 2006–2008

All adults	Fall 2006	Fall 2007	Fall 2008
Out-of-pocket health care costs over past 12 months			
5% or more of family income for those <500% of poverty	21.8%	17.0%**	17.7%**
10% or more of family income for those <500% of poverty	8.9	5.3***	6.6**
Had problems paying medical bills in past 12 months	20.4	16.5**	17.9
Have medical bills that are paying off over time	20.8	18.1*	19.8
Had problems paying other bills in past 12 months	24.7	23.3	23.7
Did not get needed care because of costs in past 12 months	17.0	11.2***	11.4***
Doctor care	5.8	3.0***	2.7***
Specialist care	5.0	2.1***	3.0#
Medical tests, treatment, follow-up care	6.3	2.3***	3.5*##
Preventive care screening	3.5	1.9***	2.5**
Rx drugs	5.6	3.5***	3.6*
Dental care	10.3	6.5***	7.5**

* (**) (***) Regression-adjusted estimate of difference from fall 2006 was significantly different from zero at the 0.10 (0.05) (0.01) level, two-tailed test.
# (##) Regression-adjusted estimate of difference from fall 2007 was significantly different from zero at the 0.10 (0.05) level, two-tailed test.
Note: All differences reported in the text are regression-adjusted estimates and thus differ slightly from the figures in the table above.
Source: Adapted from S. K. Long and P. B. Masi, "Access and Affordability: An Update on Health Reform in Massachusetts, Fall 2008," *Health Affairs* Web Exclusive, May 28, 2009, w578–w587.

Addressing the Problem

Massachusetts is considering proposals to fundamentally reform the health care payment system, moving from fee-for-service payments to global payments emphasizing care coordination. This could encourage the delivery of more efficient care, as well as help contain health care costs. In designing national health care reforms, policymakers, the authors say, should heed two lessons from Massachusetts' recent experience: 1) rising health care costs have the potential to undermine the gains from the coverage expansion; and 2) it is important to ensure that care delivery systems can support the influx of newly insured patients that will accompany coverage expansions.

About the Study

The authors held three rounds of interviews with Massachusetts residents ages 18 to 64: during the period before implementation of health reforms (fall 2006; N=3,010); one year after (fall 2007; N=2,938); and two years after implementation (fall 2008; N=4,041). This pre- and post-reform analysis attributes changes in outcomes (e.g., access to care) to the state's health reform efforts; the potential contributions of other factors, such as the economic downturn and the ensuing rise in Massachusetts' unemployment rate, were not examined.

The Bottom Line

Health care reform efforts in Massachusetts have achieved widespread improvements in health care access and affordability, but rising health care costs are eroding some of the gains.

Citation

S. K. Long and P. B. Masi, Access and Affordability: An Update on Health Reform in Massachusetts, Fall 2008, *Health Affairs* Web Exclusive, May 28, 2009, w578–w587.

This summary was prepared by Martha Hostetter.