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Sen. Dougherty “dreams big”, seeks dramatic change in health insurance coverage

JEFFERSON CITY – A proposal which could result in nearly half the state’s population being covered under the same health insurance pool within the next three years should also guarantee greater affordability, reduce the number of uninsured Missourians and offer real assistance to small businesses seeking to provide health insurance to their employees, Sen. Pat Dougherty (D-St. Louis) said today. SB 1255 would create the Division of Community Health within the Office of Administration and provide a plan to gradually assimilate various health care programs under a single roof.

“When you dream, you should dream big,” Sen. Dougherty said. “This is gargantuan, but it is fiscally sound and logically formulated. In the health insurance industry it is generally understood that the bigger the pool, the more efficient and equitable the program. This legislation seeks to establish a large pool, and the result will be more affordable insurance for many Missourians.”

The goal of the new division is to focus the purchasing power and streamline the administration of the state’s health care purchasing. It should also help to maximize the return of federal tax dollars to the state. A governing board consisting of public members and others gathered from the various groups joining the new program would be established and after a report to the legislature by the end of 2006 for organizational purposes, incorporation of the health programs of all state and state university workers, the Missouri Rx plan and the Division of Medical Services into the new division would take place in mid-2007. The bill would also set a goal of reducing the number of uninsured by 50 percent over five years. That plan would be in place by June 30, 2009.

Sen. Dougherty noted that his bill also focuses on the uninsured, particularly cost shifting and uncompensated primary care. By addressing these key issues, he believes even more resources would be freed for actual coverage.

By July 2008, the division would be the lead agency to coordinate and implement the state Medicaid health care delivery system until July of 2009, when the Medicaid program would be assimilated with health care benefit plans for employees and their dependents of the public schools, community colleges and political subdivisions of the state and health plans of certain small businesses. The next phase for the division would be to make the purchasing power of the division available to public schools, community colleges, public four-year higher education institutions, political subdivisions of the state

and small businesses with less than 50 employees and uninsured citizens. Participation of these groups would be at their option.

“With full participation of those groups this would be opened to, nearly half of all Missourians would be covered,” Sen. Dougherty said. “We pay about one of every five health care dollars for paperwork in the United States. By expanding our pool, savings on administrative costs can immediately be realized, and more funds will be available to reduce the numbers of the uninsured.”

Employees of any state entity absorbed by the division would transfer directly to the division, and appropriations for these entities for health care purposes would be transferred for use by the division.

Sen. Dougherty, who has served in the legislature for 28 years and is term limited, has long been an advocate for revamping health care coverage in Missouri. Though Americans and Missourians pay more than people in other countries for health care, he noted, more people are without access to needed coverage, indicating that money is not the problem but distribution of resources is.

“Missourians have an opportunity to redesign our health care delivery system in a way that takes the positive aspects from workable models, addresses the inefficiencies and inequities of the current system, and establishes a goal of affordable, appropriate and accessible health coverage,” the senator said. “I believe this is a common sense solution for Missourians. Problems like Medicaid cost containment, high costs of employer-provided health insurance and costs for uncompensated care can be dramatically reduced. Let’s be bold; let’s dream big.”