

For Immediate Release

SHARING A VIEW OF THE STATE

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Issues and Comments – 33rd Senatorial District

Senator

Chuck Purgason

Finding ways to improve access to affordable, quality healthcare is a very important issue in our rural area. Over the past few years, the cost of healthcare has risen at a rate well above the rate of inflation, which means most families have to put more and more money toward healthcare. The result is that they have less money available for utilities, food, and other expenses. In addition, there are many people who cannot afford healthcare coverage and do not qualify for government assistance.

Last session your General Assembly was successful in passing lawsuit reforms that should help to lower the cost of medical malpractice insurance premiums for doctors, which in turn should help control medical costs. However, the General Assembly has not been able to reach an agreement during the past few sessions on the issue of medical malpractice insurance reform.

Insurance reform is an important part of the effort to help reduce medical costs and medical malpractice premiums. Legislation that will be considered this session addresses several key areas for reform. First, an insurance company would be required to inform a medical provider such as a doctor, dentist, or hospital sixty days before canceling their policy. The companies would also be required to file their premium rates with the Missouri Department of Insurance.

To help standardize costs, the Department of Insurance would be asked to establish risk-reporting categories matching the risk of the medical procedure with the premium cost. Insurance companies would report the premium rates they charge for each risk category. Hopefully, this would hold insurance companies in check without hurting their business. It would also provide stable premiums for doctors and help keep healthcare more affordable and accessible.

An idea being looked into would post prices being charged at pharmacies for medications in the Medicaid program on an internet site. This was done in the state of Florida and it was

discovered that medicines paid for by Medicaid were up to three times higher in the inner city areas than they were in rural areas.

After these prices were publicly posted, individuals were able to buy their medications at lower costs on-line and within a short time the prices stabilized across the state. This ability to shop around would help low income individuals shop for the best price and not be locked into a local pharmacy that may be overcharging as was happening in Florida.

Another idea being discussed is one of several bills dealing with long-term care insurance. This legislation would provide a 100% state tax deduction of long-term care insurance premiums. Hopefully, this incentive will give more people an opportunity to plan for healthcare needs in their later years of life. An incentive for people to take a more active role in planning their future healthcare needs will also benefit taxpayers who fund over \$700 million per year in government-assisted long-term care related expenses in our state.

Also, this week the Senate passed Senate Bill 858, which creates the Healthcare Technology Fund. This fund will be used to help bring Medicaid into a more modern delivery system instead of the outdated 1960's model we currently have. An example I have used is misplaced Hurricane Katrina victims who were in the Medicaid system. If these people were moved away from their home, no medical records existed because of this outdated system. However, if they had had their car serviced at a local Quick Lube, a complete record of the car's history would have been available in 30 seconds. Since a person's health is more important than the health of an automobile, this system needs to be replaced to ensure a better quality of health and added safety for the people served by our government healthcare system.

As always, I welcome your comments. You may reach me at 573-751-1882, e-mail to chuck.purgason@senate.mo.gov, or write to me at the Missouri Senate, State Capitol, Room 420, Jefferson City, MO 65101. If you would like to receive these newsletters electronically, please call or e-mail my office.

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