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Capitol Report – April 23, 2009

Part of a comprehensive healthcare package I filed this legislative session, [Senate Bill 306](#), was voted out of the Senate last week. This bill is an effort to make health insurance more affordable and portable to low-income families so they can use preventive services and live healthier. The underlying concept is that if people are able to maintain their health and take steps to prevent and minimize the effects of illness, we can reduce the dependence on emergency room care and, as a result, greatly decrease the overall cost of healthcare.

Senate Bill 306, the “Show-Me Health Coverage” plan, partners the state and the private sector to provide health coverage to low-income Missourians. The measure would pay the health insurance premiums for individuals who earn up to 50 percent of the federal poverty level, or \$9,155 a year for a family of three. Custodial parents with an income of up to 100 percent of the federal poverty level will also be eligible for the program. One of the main stipulations is that participation in the plan by custodial parents with incomes up to 50 percent of the federal poverty level shall not exceed three years, except for individuals either participating in a program to complete their GED, or enrolling for and completing at least 12 hours of credit each semester at a higher education institution. The continuation of coverage shall not exceed five years total. Our goal is to provide both a safety net for those in need and also incentives for Missouri families to improve their lives and move beyond the government programs.

Coverage for the first 35,000 participants will be funded by a new federal drawdown on existing tax dollars that currently go to pay hospitals for the care of the uninsured. Eventually, the “Show-Me Health Coverage” program could grow to cover as many as 200,000 of Missouri’s 700,000 uninsured through the creation of healthcare accounts. Under the plan, these accounts can be established for each individual and payments can be made into them by the individual, an employer, the state or any charitable contributor. The account will then be used to help pay healthcare deductibles under the program.

Senate Bill 306 also contains provisions to make our [MO HealthNet](#) program less costly for all taxpayers by ensuring it is the payor of last resort. We hear too many stories of the state paying for services when the individual had other commercial coverage available. We must become a better steward of taxpayer dollars.

In conjunction with Senate Bill 306, I also sponsored legislation that seeks to establish transparency in the pricing and quality of healthcare services. Polls indicate that 93 percent of Americans believe they have the right to know cost and quality information about their healthcare. Healthcare is the only industry that gets paid without

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the consumer first knowing important cost and quality information. [Senate Bill 149](#) requires that anyone who distributes healthcare quality and cost efficiency information must provide the source used to confirm the validity of the data and its analysis as an objective indicator of healthcare quality. In order for people to make informed decisions about their healthcare, they must first be certain that they possess accurate and detailed information.

The final part of my healthcare legislative package is [Senate Bill 415](#), which removes state legal and regulatory barriers to offering flexible, fully insured Health Savings Account plans. These plans will help dramatically lower the number of uninsured in Missouri with a unique free-market solution. It will also allow employers with fewer than 50 employees to receive a \$250 tax credit per employee enrolled in an HSA eligible plan.

We need to make health insurance affordable for as many Missourians as possible. By enabling people to use preventive services through more accessible insurance coverage, we can greatly reduce the costs associated with emergency room visits that so many low-income individuals use as a last resort.

Please do not hesitate to contact me on this or any other issues of concern to you. I appreciate and welcome your comments.

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