

Week of April 13, 2009



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Expanding Health Care Coverage Responsibly

As the costs of health care coverage have spiraled out of control, not surprisingly the number of uninsured Missourians has risen sharply. Some estimates indicate that as many as one-third of Missouri's citizens do not have health insurance, with a high percentage of the uninsured being working families. This is simply unacceptable. We must take measures to get hard-working Missourians affordable health care. However, the measures we take must be fiscally responsible and honor our commitment to spend taxpayer dollars wisely.

Recently the Senate gave preliminary approval to the Show-Me Health Coverage Plan that would provide health care coverage to more than 35,000 low-income working individuals and families *without* putting an extra burden on taxpayers. The program would be created under [Senate Bill 306](#), which I am co-sponsoring, and it would offer health care coverage through the private insurance market to working individuals with incomes up to 50 percent of the federal poverty level (\$5,415 per year) or working parents earning up to 100 percent of the federal poverty level (\$18,310 for a family of three). The funds needed to expand health care coverage to the Missourians who need it most would come from federal funds and existing hospital taxes, not from taxpayers.

Without insurance, people are forced to visit the emergency room for routine medical care, passing the costs along to taxpayers who are required to absorb these costs under federal law. By focusing on preventive medicine in the Show-Me Health Coverage Plan—an important priority as we continue to shift from reactive health care to proactive health care—we can help reduce the amount of costly emergency room visits that people are

relying on as a last resort because they cannot afford regular medical care. If minor health issues are taken care of before they become major health problems, we can avoid paying higher medical costs that drain taxpayer money.

Here's how it would work: Plan participants would receive a health care account, through which they would make payments. Employers, the state, or any charitable organization could also make payments into the participant's individual health care account, which would be used to pay deductibles for health care services participants receive under the plan.

The Show-Me Coverage Health Plan is designed to give a hand to people who are struggling through a tough time while providing them with an incentive to improve their lives. In order to promote self-sufficiency, the legislation limits participation in the program to three years, with an option to extend it two more years if the individual is enrolled in a GED program or is taking college courses. Five years would be the maximum amount of coverage allowed under the plan.

Eventually health care coverage could expand to approximately 200,000 Missourians, depending on the state's funding capabilities down the road. Also, eligibility for the plan would be phased in incrementally based on available funding. One more Senate vote sends SB 306 to the House for approval, however, before the plan can be implemented, it needs to be approved by the U.S. Department of Health and Human Services.

As always, please feel free to contact me or my staff with any questions or concerns at any time. Because we are here to serve you, we look forward to hearing your comments and suggestions and trying to answer any questions you may have. You can reach us by phone at 866-277-0882 (toll-free) or 573-751-2272, or by fax at 573-526-7381.

Senator David Pearce serves Bates, Cass, Johnson and Vernon counties in the 31st State Senate District.

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Contact Information

Capitol Office
State Capitol Building
Room 419
Jefferson City, MO 65101

Website:
<http://www.senate.mo.gov/pearce>

Phone Number:
866.277.0882 (toll-free)
573.751.2272

Fax:
573.526.7381