

21% OF PEOPLE IN MA STILL FORGO NECESSARY MEDICAL CARE

I tweeted this factoid yesterday, but wanted to post on it too, because I think it illustrates the difference between health insurance and health care.

A number of supporters of the current Senate bill have been pointing to RomneyCare to argue that mandates and exchanges can be wildly successful in providing care. But a September 2009 Kaiser Commission review of the MA experience had this to say:

According to a March 2009 Urban Institute report, health reform has improved access to health care services for newly insured and previously insured adults. Over ninety percent of adults in Massachusetts have a usual source of care and most reported seeing a doctor in the previous year. However, the affordability of health care remains a barrier to receiving care for some residents. Of the total population, 21 percent went without needed care in the previous year because of cost. People with disabilities and those in fair and poor health experienced the greatest barriers to accessing care.

There is some good in this snippet. It says that people—presumably some of them for the first time in a while—are getting primary care. But it's also saying that more than one-fifth of them are forgoing medically necessary care because the health insurance they have is too stingy to make that medically necessary care affordable.

The MA program is not dissimilar to the Senate

bill. It allows for policies with deductibles of up to \$4000 for families and other out-of-pocket fees, though it actually has lower out-of-pocket limits than the Senate bill. What MA considers to be an affordable premium is not all that different from what would be required under the Senate bill. (While I don't think all the Senate subsidy levels have been released, making a one-to-one comparison impossible, it appears that the Senate bill offers an affordability opt-out for the affluent—families making \$114,401—that the MA program doesn't have, but requires the middle class to pay higher premiums—\$441/month versus \$364/month for a family making \$66,150; go figure, the House of Lords screwed the Middle Class again).

So we should assume that the Senate bill would have similar outcomes as the MA program (though with a much weaker mandate, it would achieve much lower levels of coverage). And one outcome appears to be that the middle class is being forced to buy insurance, but that insurance is not making health care affordable when people need it the most.

It's one thing to require people to buy insurance if it is affordable and it guarantees that it'll actually get them the care they need. But if it doesn't (and the Senate bill wouldn't for the middle class), then it just becomes a wealth shift from the middle class to the health care industry.