
HEALTH REFORM IN MASSACHUSETTS

EXPANDING ACCESS TO HEALTH INSURANCE COVERAGE

ASSESSING THE RESULTS

OCTOBER 2011



FOUNDATION
MASSACHUSETTS

October 2011

Health Reform in Massachusetts, Expanding Access to Health Insurance Coverage: Assessing the Results pulls together in one publication the findings of surveys and other efforts to monitor the impact of the 2006 Massachusetts health reform law. To date, there has been no single source for accessing the results of the extensive analyses conducted by a number of state agencies and other organizations monitoring the impact of Massachusetts' reforms.

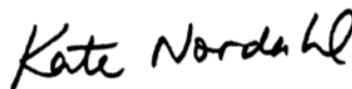
The charts in this report track the impact of Massachusetts health reform efforts on coverage and access to care, the response to the individual mandate, employer participation in providing coverage to employees, and public opinion. Data come from surveys and analyses by state government agencies including the Massachusetts Division of Health Care Finance and Policy, the Massachusetts Department of Revenue, and the Massachusetts Health Insurance Connector Authority. In addition, highlights from health reform tracking surveys conducted annually by the Urban Institute are included as well (the Massachusetts Health Insurance Survey and the Massachusetts Health Reform Survey).

This report has been designed to support use of the charts in slide presentations and we encourage readers to do so. We plan to update this publication regularly with the latest results from ongoing monitoring efforts as they become available.

Sincerely,



Sarah Iselin, President
Blue Cross Blue Shield of Massachusetts Foundation



Kate Nordahl, Director
Massachusetts Medicaid Policy Institute

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EXECUTIVE SUMMARY

- 411,000 more Massachusetts residents have health insurance coverage than did before reform.
- Massachusetts has the highest rate of insurance in the country with 98.1 percent of residents insured.
- There has been no evidence of subsidized coverage “crowding out” employer-sponsored insurance, and employer offer rates have grown from 70 percent to 77 percent since implementation of reform.
- Public support for Massachusetts health reform has remained strong with two out of three adults supporting reform.
- Most employers believe health reform has been good for Massachusetts and 88 percent of Massachusetts physicians believe reform improved, or did not affect, care or quality of care.
- The cost of health care and the annual rate of increase in health care spending remains a challenge. With no intervention, per capita health care spending in Massachusetts is projected to nearly double by 2020.

KEY COMPONENTS OF MASSACHUSETTS HEALTH REFORM UNDER CHAPTER 58

INDIVIDUAL RESPONSIBILITY

- Applies to all adults (ages >17 years) if affordable coverage is available
- Coverage must meet “minimum creditable coverage” standards
- Mandate penalties may not exceed one-half of least expensive monthly premium available through the Health Connector and do not apply to individuals with incomes <150% FPL or those with a religious exemption

EMPLOYER RESPONSIBILITY

- Employers with ≥ 11 full-time equivalent (FTE) employees must demonstrate a “fair and reasonable” contribution towards employee coverage or pay a penalty of up to \$295 per FTE
- Employers with ≥ 11 FTE employees must offer a Section 125 plan or pay a “free rider” surcharge if employees use significant Health Safety Net resources

GOVERNMENT SUBSIDIES FOR LOW-INCOME RESIDENTS

- Expansion of Medicaid (MassHealth) for children up to 300% FPL
- Creation of subsidized insurance (Commonwealth Care) for adults up to 300% FPL offered through the Health Connector

EXPANDED INSURANCE OPTIONS FOR INDIVIDUAL DIRECT PURCHASE

- Merged small and non-group insurance markets to pool insurance risk and allow for broader array of products
 - Premiums based on broader risk pool of each insurer’s combined small group and individual purchase members
- Standardization of direct purchase products (Commonwealth Choice)
 - Premiums based on merged small and individual market within ratings bands (age, geography, industry)
 - Three standard benefit levels: Bronze, Silver, and Gold
 - Available for purchase via the Health Connector or directly from health plans
- Creation of new insurance products with limited benefits for young adults (ages 18 to 26)

NOTE: FPL is the Federal Poverty Level.

PRE-REFORM FACTORS FACILITATED MASSACHUSETTS HEALTH REFORM IMPLEMENTATION

- Low rate of uninsurance
 - Primarily due to high rates of employer offer of health insurance, prior Medicaid eligibility expansions, and deep Medicaid penetration among those eligible
- Strong existing financing infrastructure
 - Expansive Medicaid (“MassHealth”) 1115 waiver program upon which to implement eligibility determination and managed care plan contracting to support subsidized Commonwealth Care Plan
 - Existing 1115 waiver funding able to be shifted from institution-based support to subsidize coverage for previously uninsured
- Many key insurance market reforms already in place
 - Guaranteed issue in non-group market
 - Modified community rating in small group market
- Well-developed network of outreach programs and training
 - State and the Blue Cross Blue Shield of Massachusetts Foundation-funded mini-grants
- Ch. 58 intentionally focused on access to coverage; cost containment left for future reforms
 - Most significant cost containment element of Ch. 58 legislation was creation of a Health Care Quality and Cost Council to develop statewide goals for cost and quality and make cost and quality information transparent to consumers

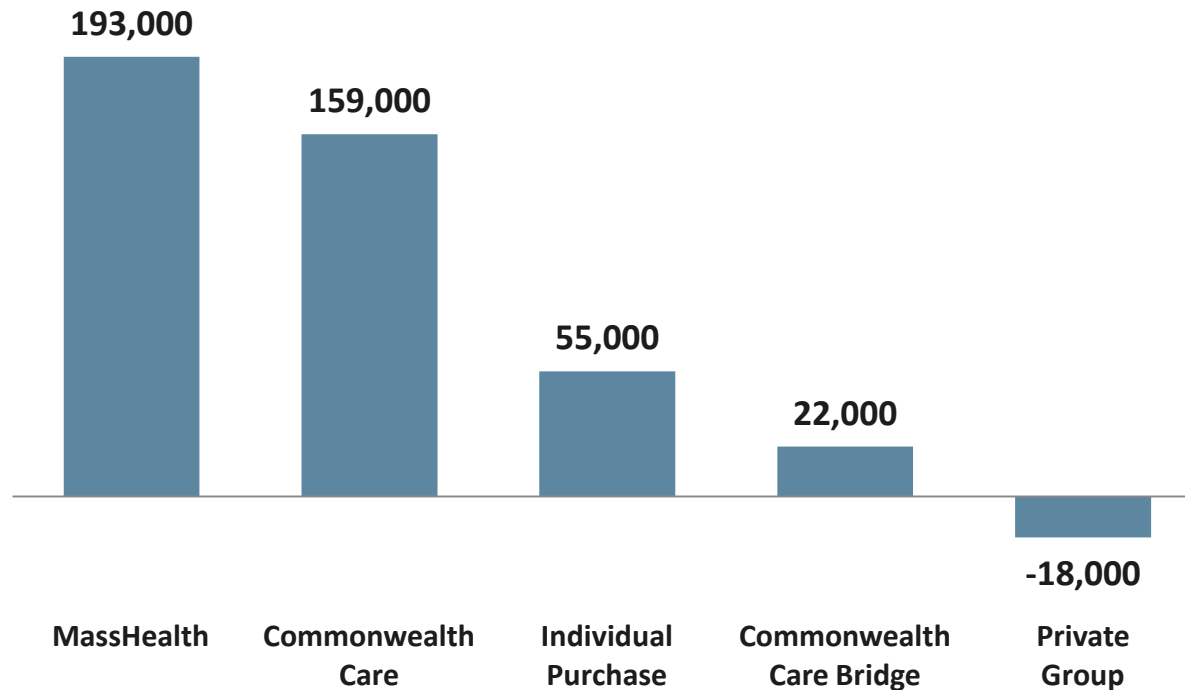
WHAT HAS MASSACHUSETTS ACHIEVED RELATIVE TO ITS HEALTH COVERAGE GOALS?

- 411,000 more Massachusetts residents have gained health insurance coverage than had it before reform.
- Massachusetts now has the highest rate of health insurance coverage in the nation.
 - 98.1 percent of Massachusetts residents are insured.
 - 99.8 percent of Massachusetts children are insured.
- Since reform, insurance coverage has increased most significantly for non-elderly adults, particularly for low-income adults.
- The remaining uninsured are more likely to be young, single, male, non-elderly low-income adults, and/or of Hispanic ethnicity.

source: Massachusetts Division of Health Care Finance and Policy, *Key Indicators*, November 2010 and *Massachusetts Health Insurance Survey*, 2010.

411,000 MORE RESIDENTS HAVE COVERAGE THAN HAD IT BEFORE HEALTH REFORM

INCREASE IN NUMBER OF INSURED MASSACHUSETTS RESIDENTS BETWEEN 2006 AND 2010, BY COVERAGE TYPE

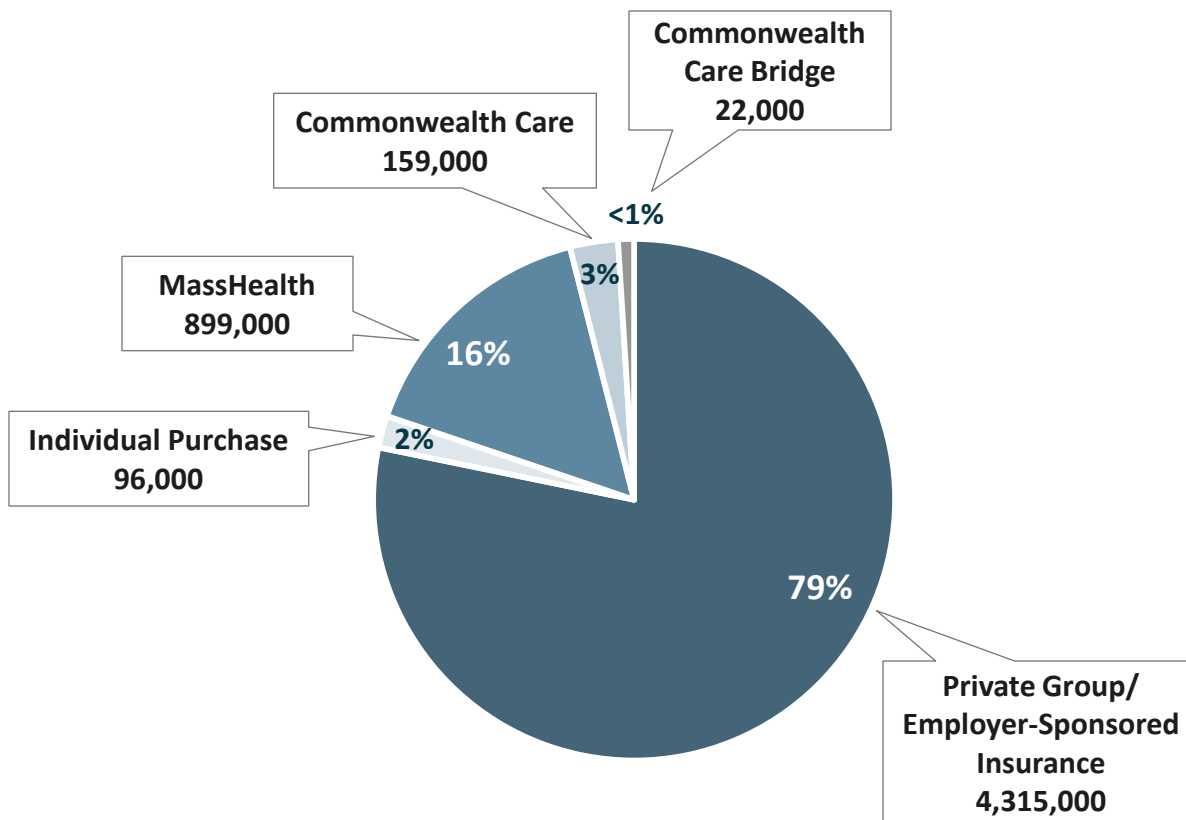


As of December 2010, most of the increased coverage since reform has been through public programs, such as MassHealth (47 percent), Commonwealth Care (39 percent) and Commonwealth Care Bridge (5 percent). This was preceded by increases in employer-sponsored insurance which have since declined as a result of the recession.

source: Massachusetts Division of Health Care Finance and Policy, *Key Indicators*, May 2011.

EMPLOYER-SPONSORED INSURANCE REMAINS THE DOMINANT SOURCE OF COVERAGE UNDER HEALTH REFORM

INSURED POPULATION 2010, BY COVERAGE TYPE

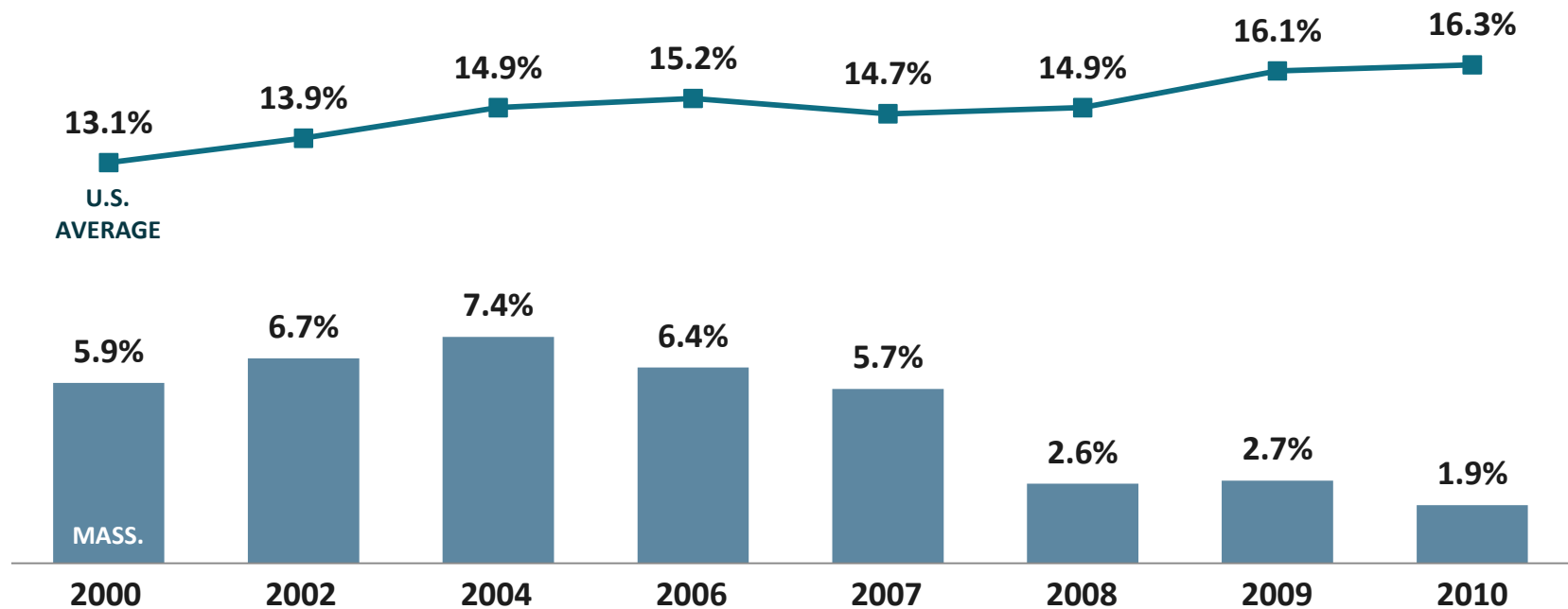


Private group and employer-sponsored coverage continues to be the most common type of coverage (79 percent) for Massachusetts residents under health reform.

source: Massachusetts Division of Health Care Finance and Policy, *Key Indicators*, May 2011.

MASSACHUSETTS NOW HAS THE LOWEST RATE OF UNINSURANCE IN THE COUNTRY

PERCENT UNINSURED, 2000–2010, ALL AGES

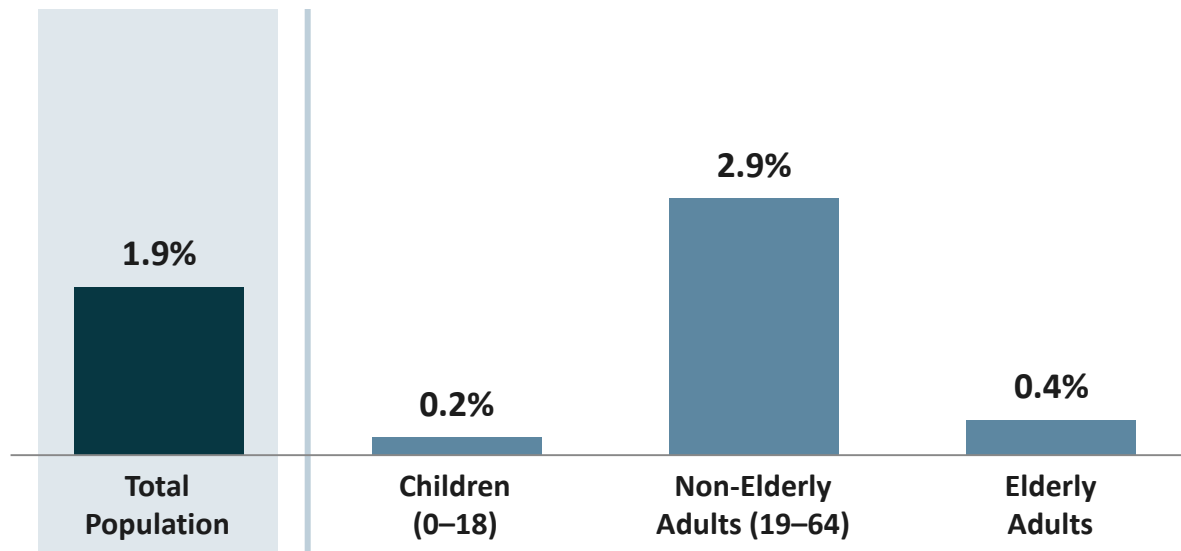


NOTE: The Massachusetts-specific results are from a state-funded survey, the Massachusetts Health Insurance Survey (MHIS), which estimated that 372,000 Massachusetts residents were uninsured in 2006, or 6.4 percent of the state's population. Using a different methodology, researchers at the Urban Institute estimated that 507,000 Massachusetts residents were uninsured in 2005, or approximately 8.1 percent of the total population. Starting in 2008, the MHIS sampling methodology and survey questionnaire were enhanced. These changes may affect comparability of the 2008 and later results to prior years. The national comparison presented here utilizes a different survey methodology, the Current Population Survey, which is known to undercount Medicaid enrollment in some states.

SOURCES: Urban Institute, *Health Insurance Coverage and the Uninsured in Massachusetts: An Update Based on 2005 Current Population Survey Data In Massachusetts*, 2007; Massachusetts Division of Health Care Finance and Policy, *Massachusetts Health Insurance Survey 2000, 2002, 2004, 2006, 2007, 2008, 2009, 2010*; U.S. Census Bureau, Current Population Survey 2010.

NON-ELDERLY ADULTS ARE MORE LIKELY TO BE UNINSURED THAN CHILDREN OR ELDERLY ADULTS

PERCENT UNINSURED, 2010, BY AGE



Non-elderly adults represent 95 percent of the remaining uninsured in Massachusetts, but also experienced the greatest age-related gains in coverage under health reform.

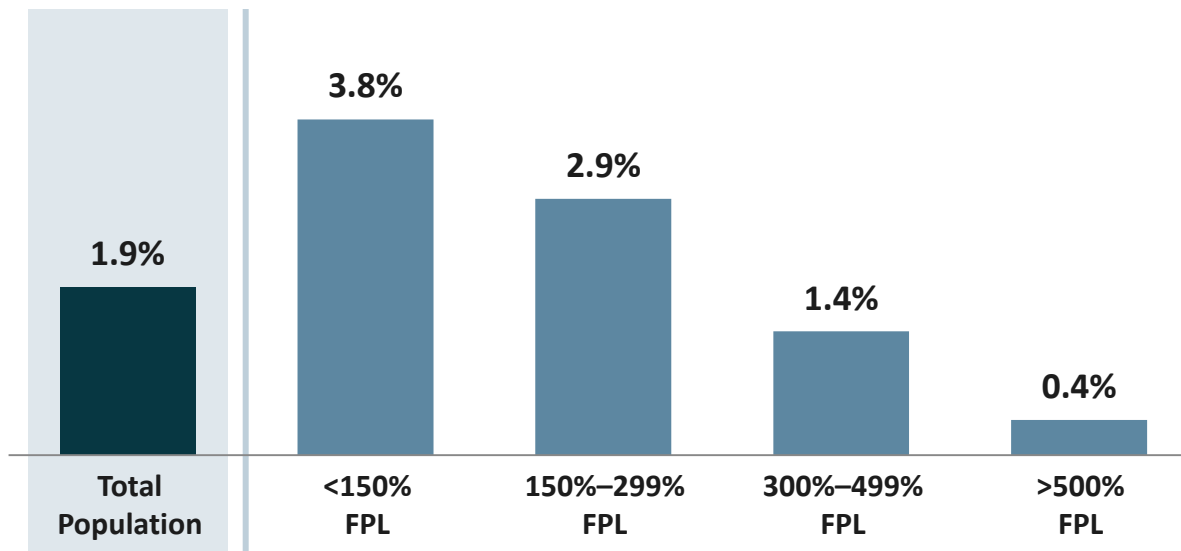
REMAINING UNINSURED, BY AGE

Total Uninsured	Children (0-18)	Non-Elderly Adults (19-64)	Elderly Adults
120,000	2.7%	94.5%	2.8%

SOURCE: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Health Insurance Survey*, 2010.

LOW-INCOME RESIDENTS ARE MORE LIKELY TO BE UNINSURED THAN HIGHER-INCOME RESIDENTS

PERCENT UNINSURED, 2010, BY INCOME



REMAINING UNINSURED, BY INCOME

Total Uninsured	<150% FPL	150%–299% FPL	300%–499% FPL	>500% FPL
120,000	42.9%	29.2%	20.2%	7.7%

NOTE: FPL is the Federal Poverty Level.

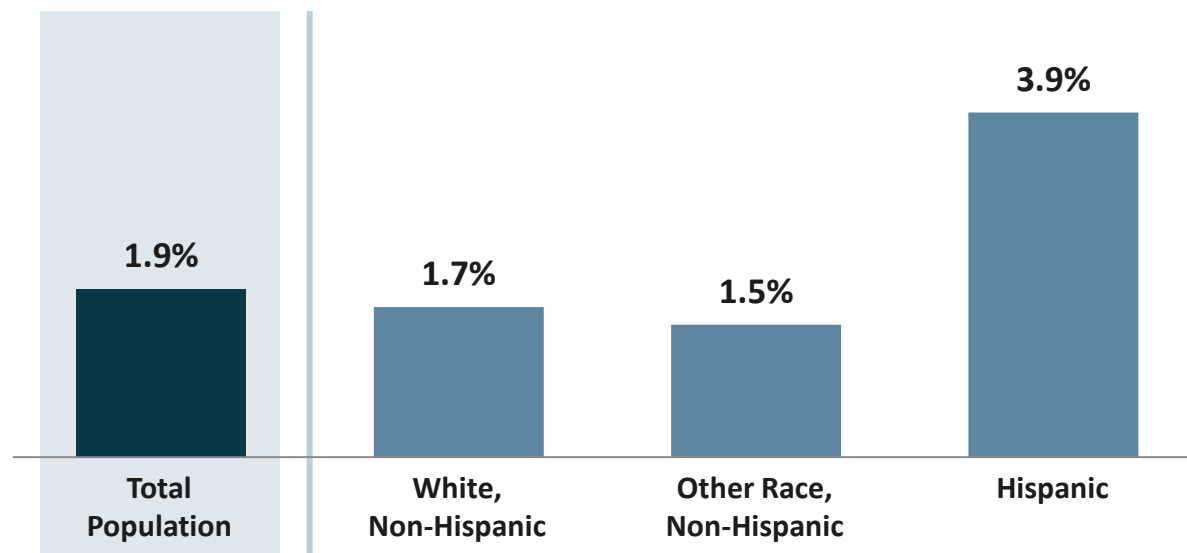
SOURCE: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Health Insurance Survey*, 2010.

Low-income residents (family household income under 300 % of the FPL) comprise 72 percent of the remaining uninsured in Massachusetts, but only 40 percent of the insured population (data not shown).

While low-income residents are more likely to be uninsured, they have demonstrated the most dramatic income-related gains in coverage under health reform.

HISPANIC RESIDENTS ARE MORE LIKELY TO BE UNINSURED

PERCENT UNINSURED, 2010, BY RACE/ETHNICITY



REMAINING UNINSURED, BY RACE/ETHNICITY

Total Uninsured	White, Non-Hispanic	Other Race, Non-Hispanic	Hispanic
120,000	73.7%	10.8%	15.5%

While there are few disparities in coverage between white and other residents of non-Hispanic ethnicity, residents of Hispanic ethnicity are twice as likely to be uninsured and comprise nearly 16 percent of the remaining uninsured.

SOURCE: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Health Insurance Survey*, 2010.

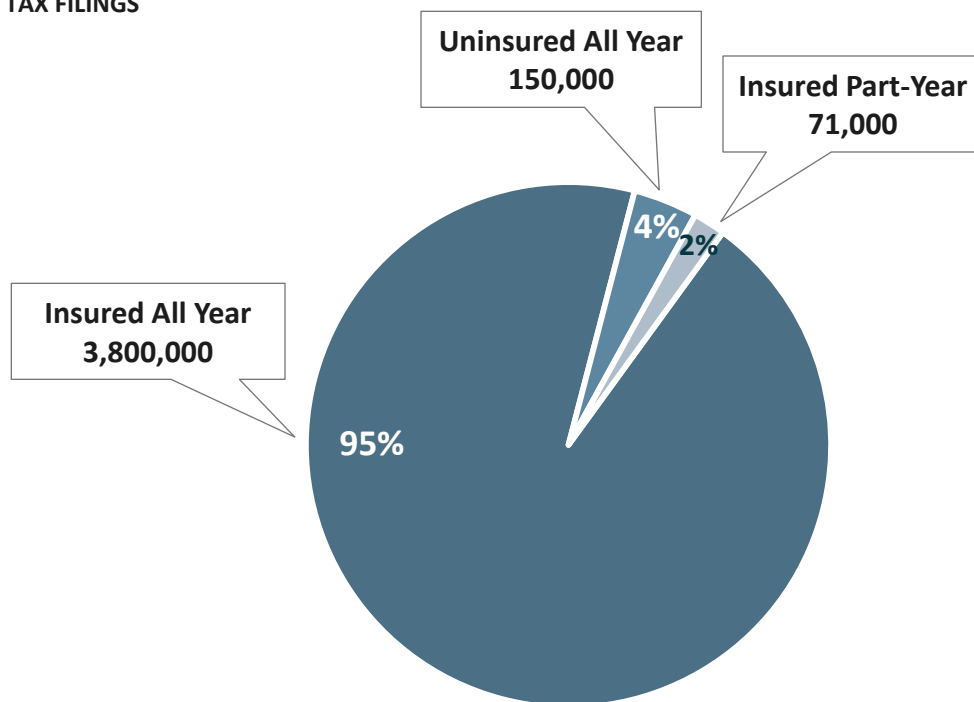
WHAT HAS BEEN THE EXPERIENCE WITH THE INDIVIDUAL MANDATE IN MASSACHUSETTS?

- 97 percent of the 4.2 million tax filers required to file information on their health insurance status complied with the filing requirement.
- Most (95 percent) tax filers comply with the individual mandate by having insurance year-round.
- Most uninsured tax filers were exempt from the individual mandate due to their low income (<150 percent of the FPL), inability to afford coverage, or religious exemption.
- Fewer than 1.2 percent of tax filers who were subject to the mandate were assessed a penalty on their 2008 return.

SOURCE: Massachusetts Health Connector and Department of Revenue; *Data on the Individual Mandate Tax Year 2008*, December 2010.

MOST MASSACHUSETTS TAX FILERS COMPLY WITH THE INDIVIDUAL MANDATE BY HAVING INSURANCE YEAR-ROUND

2008 TAX FILINGS



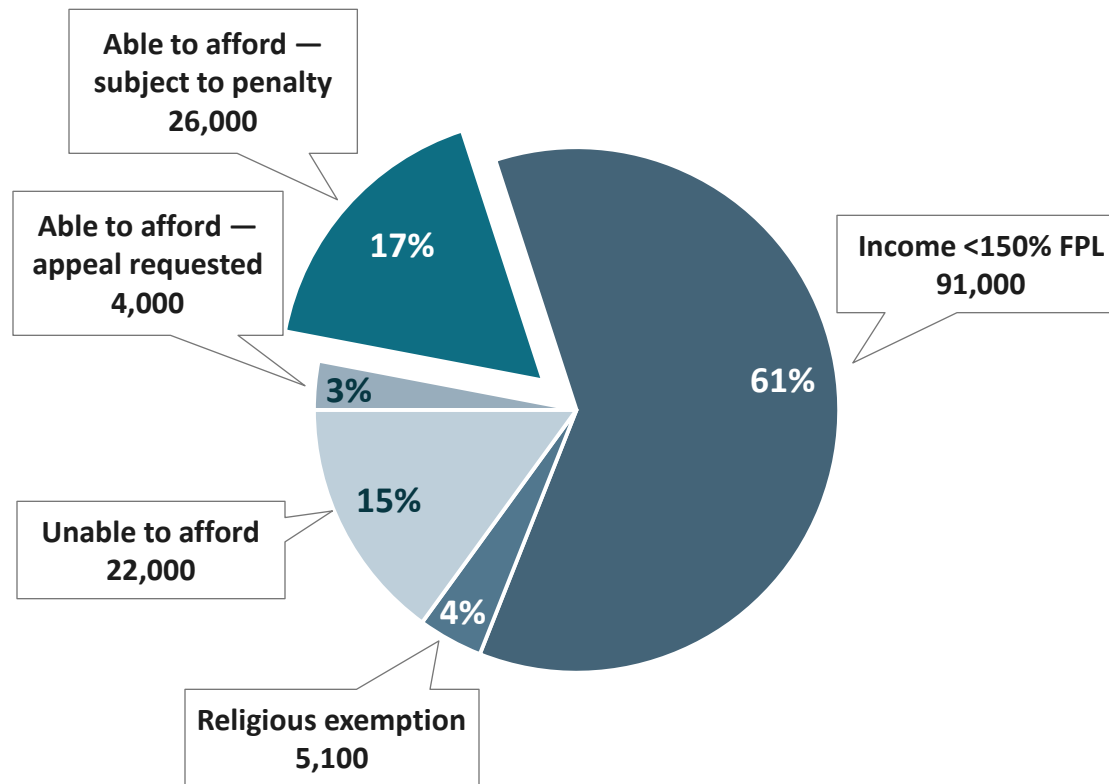
During calendar year 2008, 2 percent of tax filers were uninsured for part of the year and 4 percent were uninsured for the entire year.

NOTE: Numbers do not add to 100 percent due to rounding.

SOURCE: Massachusetts Health Connector and Department of Revenue; *Data on the Individual Mandate Tax Year 2008*, December 2010.

FEWER THAN 1 IN 5 UNINSURED MASSACHUSETTS TAX FILERS WERE SUBJECT TO A PENALTY

2008 TAX FILINGS



Most (76 percent) uninsured tax filers were exempt due to low income or inability to afford coverage.

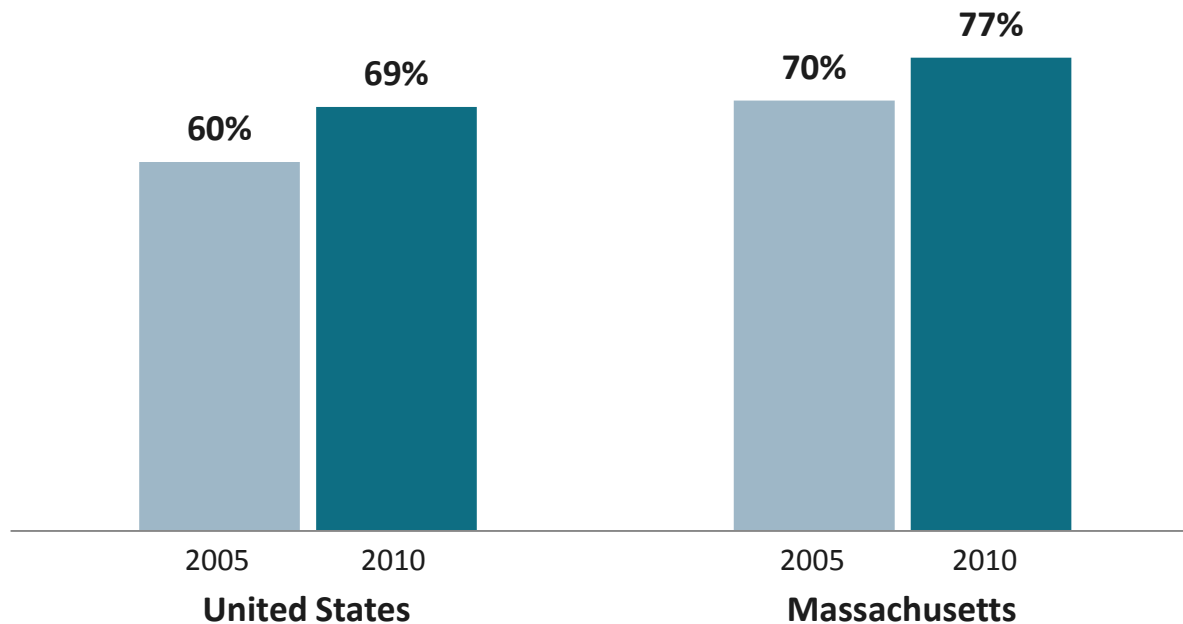
SOURCE: Massachusetts Health Connector and Department of Revenue; *Data on the Individual Mandate Tax Year 2008*, December 2010.

WHAT HAS BEEN THE ROLE OF EMPLOYERS UNDER MASSACHUSETTS HEALTH REFORM?

- There has been no evidence of subsidized coverage “crowding out” employer-sponsored insurance (ESI).
 - Employer offers of coverage have increased.
 - Take-up of employer-offered coverage has remained high.
- Overall, employers have decreased their contributions towards the cost of employee health insurance as premiums have grown.
- Most employers have met the state’s “Fair Share” requirements.
- More employers are taking advantage of federal Section 125 tax provisions which allow employees to purchase health insurance on a pre-tax basis.

EMPLOYER OFFER RATES HAVE GROWN UNDER MASSACHUSETTS REFORM

PERCENT OFFERING INSURANCE COVERAGE AT TIME OF SURVEY

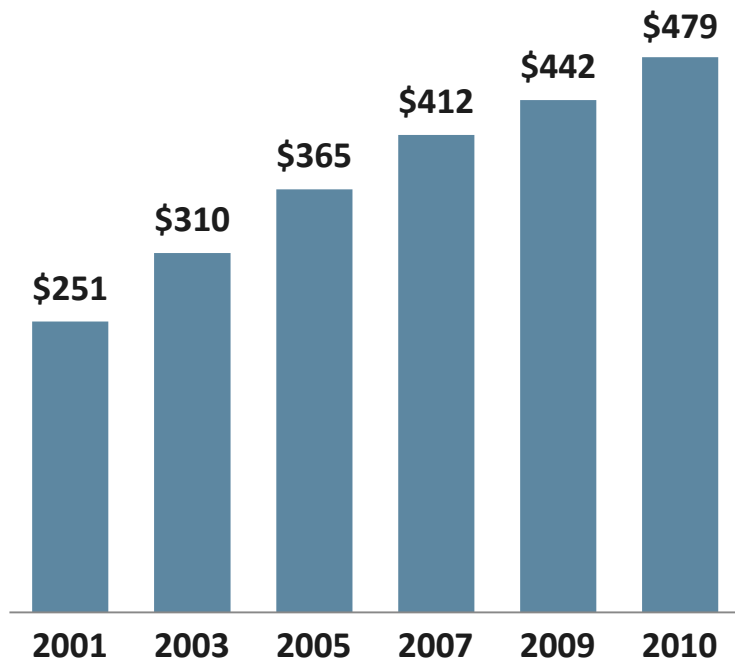


More Massachusetts employers are offering health insurance as compared to the national offer rate.

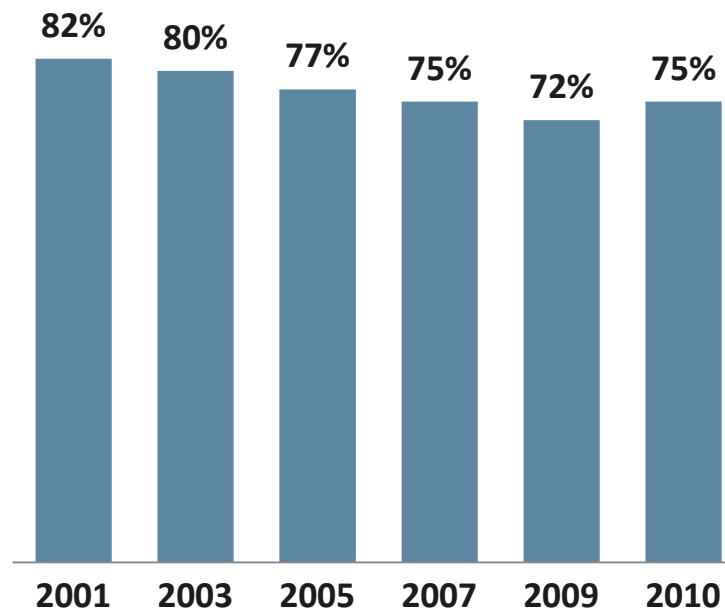
SOURCES: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Employer Survey*, 2010; Kaiser/HRET, *Survey of Employer Sponsored Benefits*.

AS PREMIUMS HAVE INCREASED, EMPLOYERS' SHARE OF PREMIUMS HAS FALLEN OVERALL

MEDIAN PREMIUM FOR INDIVIDUAL COVERAGE IN MA



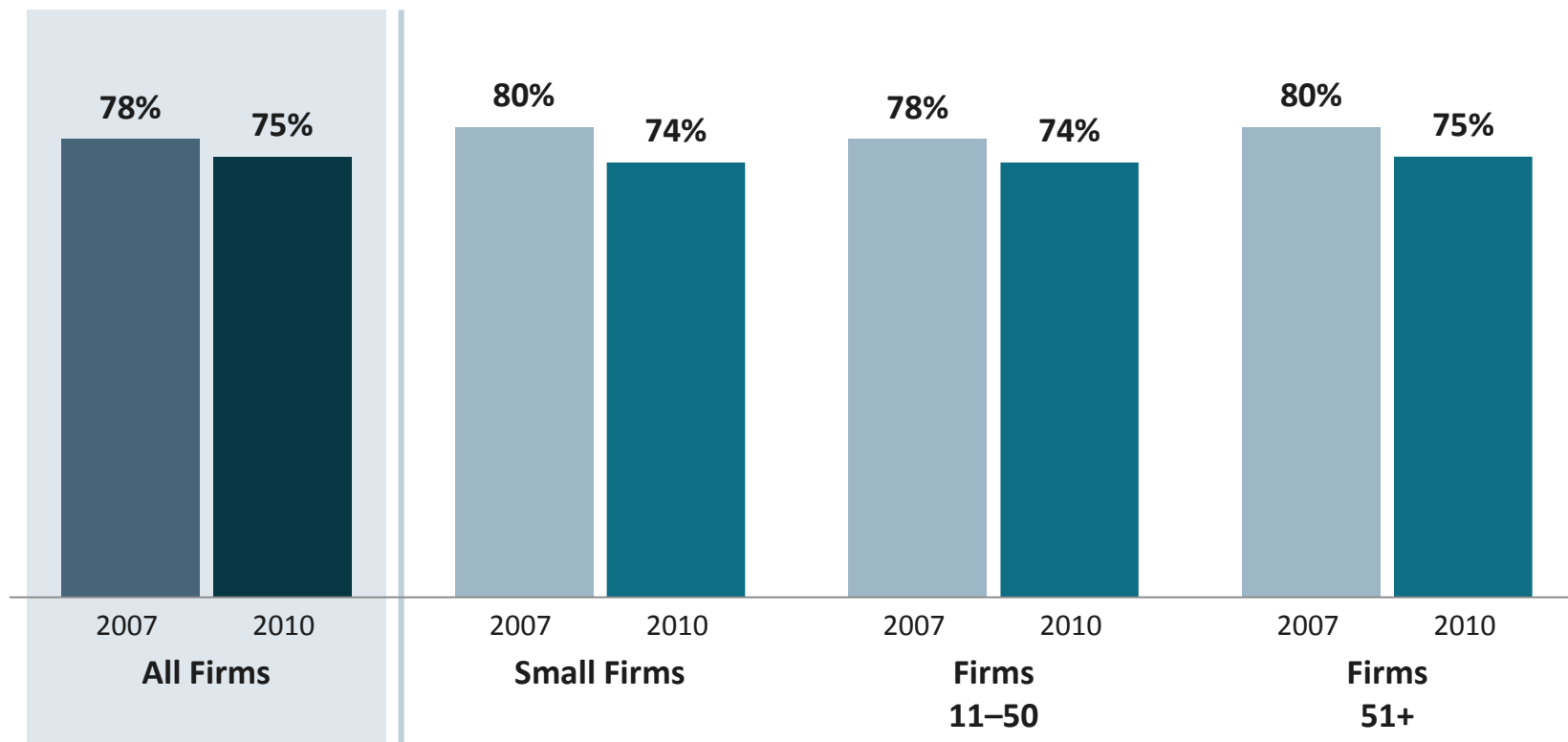
MA EMPLOYER CONTRIBUTION TOWARD INDIVIDUAL COVERAGE



source: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Employer Survey*, 2010.

EMPLOYEE TAKE-UP OF EMPLOYER-SPONSORED INSURANCE HAS REMAINED STRONG OVERALL

PERCENT TAKE-UP OF EMPLOYER OFFER OF INSURANCE

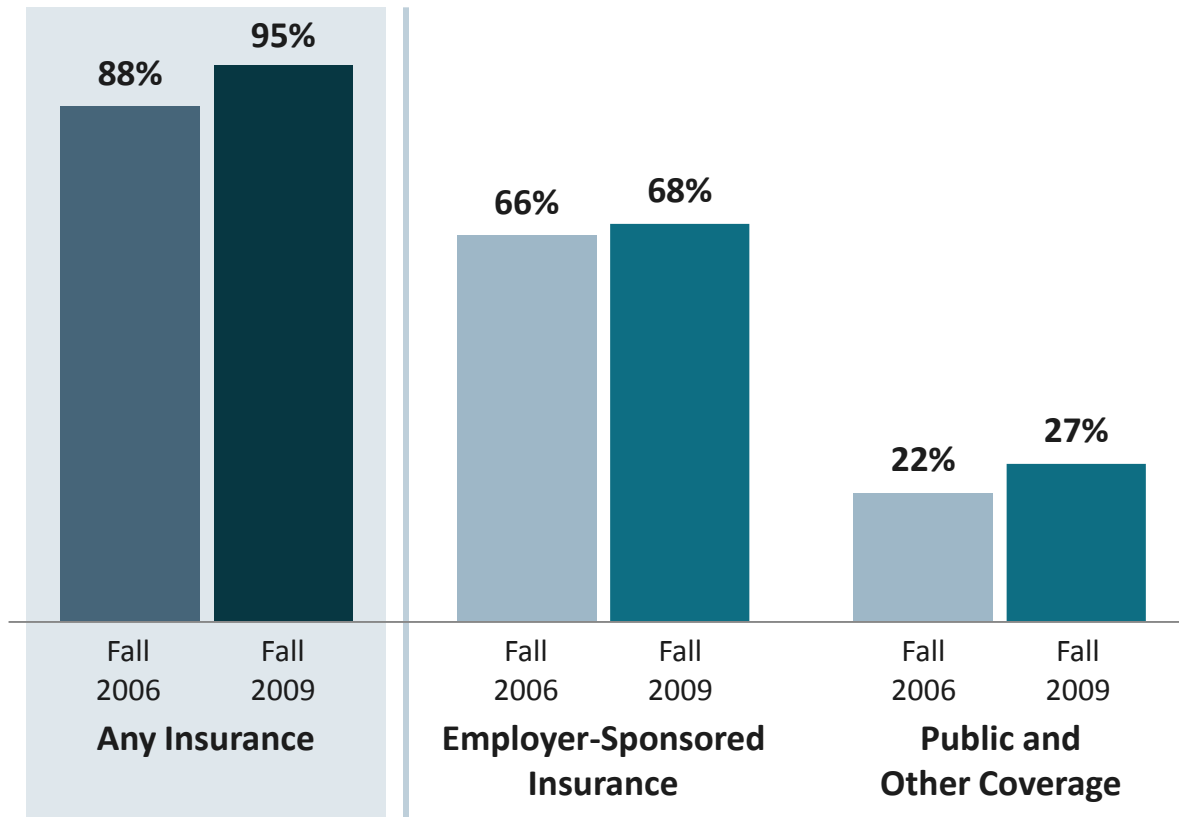


NOTE: In 2007, "small firms" referred to firm size of 2 to 9 employees whereas in 2009, this category referred to firm size of 3 to 10 employees.

SOURCE: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Employer Survey*, 2010.

THERE IS NO EVIDENCE OF PUBLIC COVERAGE “CROWDING OUT” EMPLOYER-SPONSORED INSURANCE AMONG WORKING-AGE ADULTS

SOURCE OF INSURANCE COVERAGE FOR NON-ELDERLY ADULTS IN MASSACHUSETTS

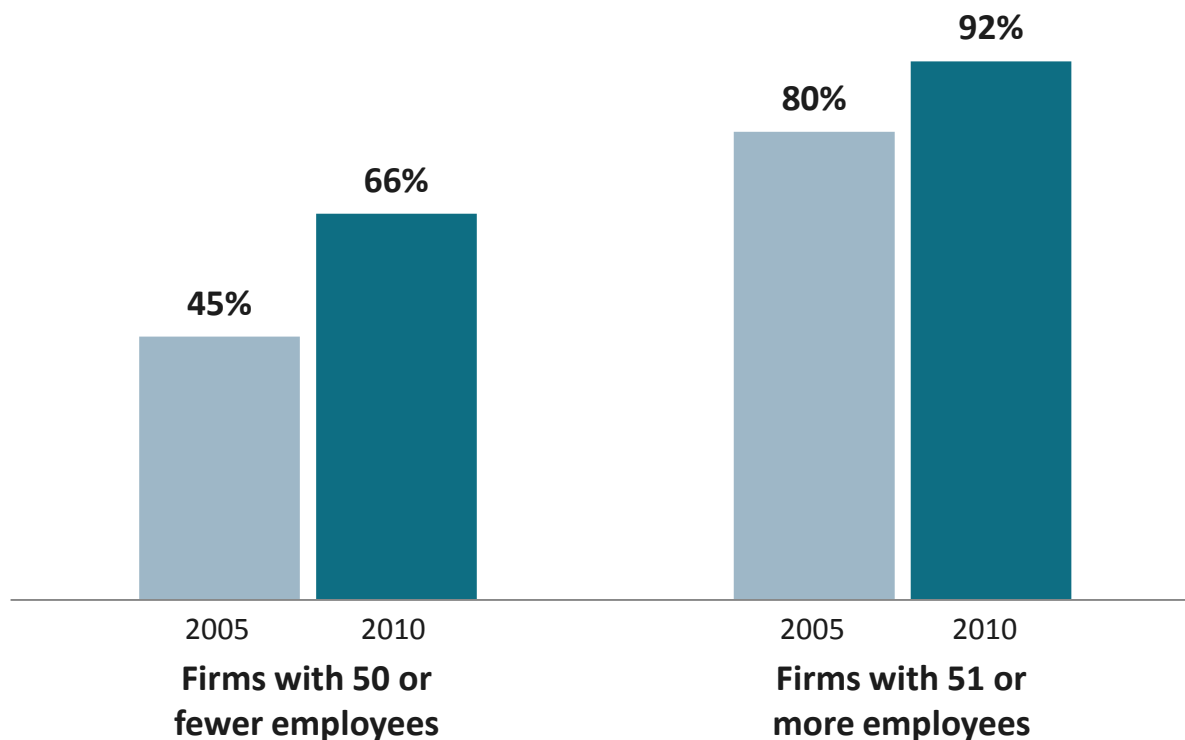


Most Massachusetts residents continue to be covered by employer-sponsored insurance. Since reform, the percent of Massachusetts working age adults with employer-sponsored coverage has grown.

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

NEARLY ALL LARGE EMPLOYERS NOW OFFER SECTION 125 PLANS AND MANY MORE SMALL EMPLOYERS OFFER THEM THAN DID PRIOR TO HEALTH REFORM

PERCENT OF EMPLOYERS OFFERING SECTION 125 PLANS



Section 125 plans allow employees to purchase health insurance coverage using use pre-tax income.

Massachusetts health reform requires employers with 11 or more employees to offer a Section 125 plan. Many more small employers now offer them than did prior to health reform.

source: Massachusetts Division of Health Care Finance and Policy, *Massachusetts Employer Survey*, 2010.

MOST MASSACHUSETTS EMPLOYERS HAVE BEEN FOUND TO MEET THE STATE'S DEFINITION OF A "FAIR AND REASONABLE" CONTRIBUTION TOWARD HEALTH INSURANCE COVERAGE

- Approximately 12 percent of all employers in Massachusetts are subject to Fair Share requirements (i.e., have 11 or more FTEs).
- More than 95 percent of filing firms have passed the Fair Share test in each year of health reform implementation.
- In filing year 2010, 1,017 firms were found not to be making a "fair and reasonable" contribution and were liable for \$17.1 million in assessments.

NOTE: "Fair Share" was defined more leniently during FY07 and FY08. Firms with 50 or more full time equivalent employees (FTEs) were able to "pass" the Fair Share test if they either demonstrated 25% of employees take-up their employer's offer of insurance or they offered to pay 33% of insurance cost. In FY09, the test was changed such that an employer with more than 50 FTEs in Massachusetts needs to satisfy both conditions or, alternatively, have at least 75% of its FTEs enrolled in the employer's plan. Employers with 50 or fewer Massachusetts employees are still only required to satisfy either condition.

SOURCE: Percentage of firms subject to Fair Share based on data filed with Division of Unemployment Assistance. Data on Fair Share results from Massachusetts Division of Health Care Finance and Policy, *Fair Share Contribution: Filing Year 2010 Results and Analyses*.

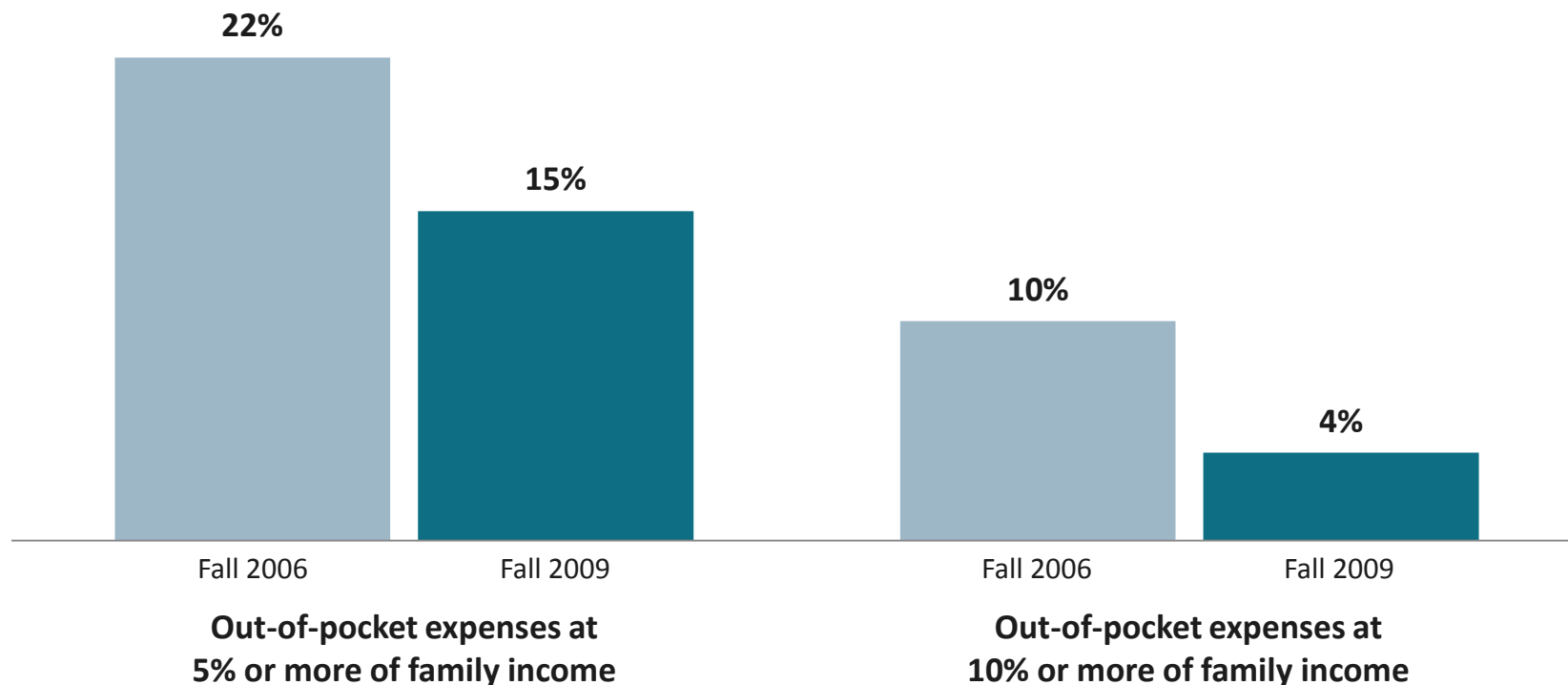
HOW HAS MASSACHUSETTS HEALTH REFORM AFFECTED AFFORDABILITY, ACCESS, AND USE OF HEALTH CARE?

- Low- and moderate-income adults are less likely to report high out-of-pocket health expenses.
- All adults, and lower-income adults in particular, experienced a significant decline in unmet health care needs due to cost.
- Access to care increased for all adults, with significant increases in the use of doctors, preventive care, and dental services, and in the percent of adults with a usual source of care.
- Unmet need for care decreased across middle and low-income, minority race/ethnicity, and chronically ill population groups.
- Racial and ethnic disparities in access to and use of care have decreased significantly.

source: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

FEWER MASSACHUSETTS ADULTS HAVE SIGNIFICANT OUT-OF-POCKET HEALTH EXPENSES

PERCENT OF NON-ELDERLY ADULT POPULATION WITH FAMILY INCOME LESS THAN 500% FPL WHO SPENT 5 OR 10 PERCENT OF INCOME ON OUT-OF-POCKET HEALTH CARE COSTS

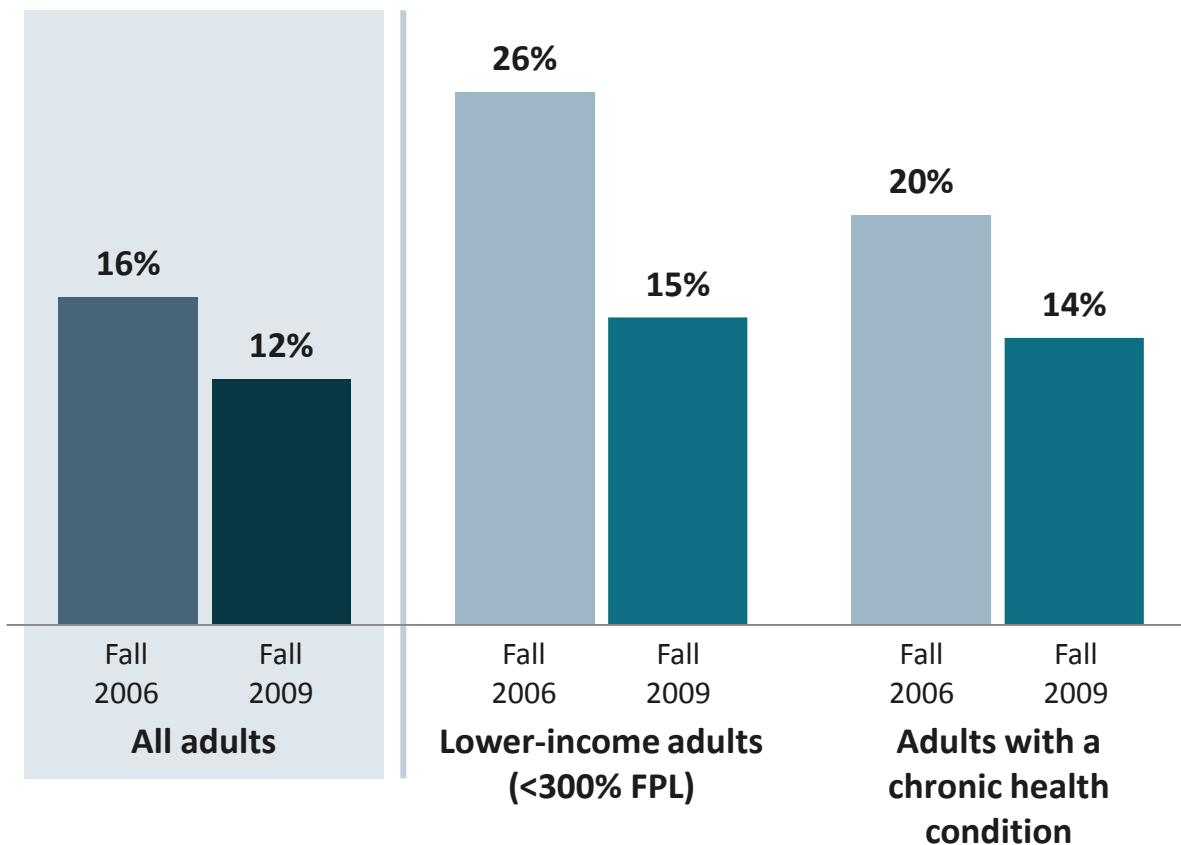


NOTE: "Out-of-pocket" health care costs includes deductibles, co-insurance, co-payments, but excludes the cost of premiums.

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

FEWER MASSACHUSETTS ADULTS HAVE UNMET HEALTH CARE NEEDS DUE TO COST

PERCENT OF NON-ELDERLY ADULTS REPORTING UNMET NEED DUE TO COST, SELECTED POPULATIONS

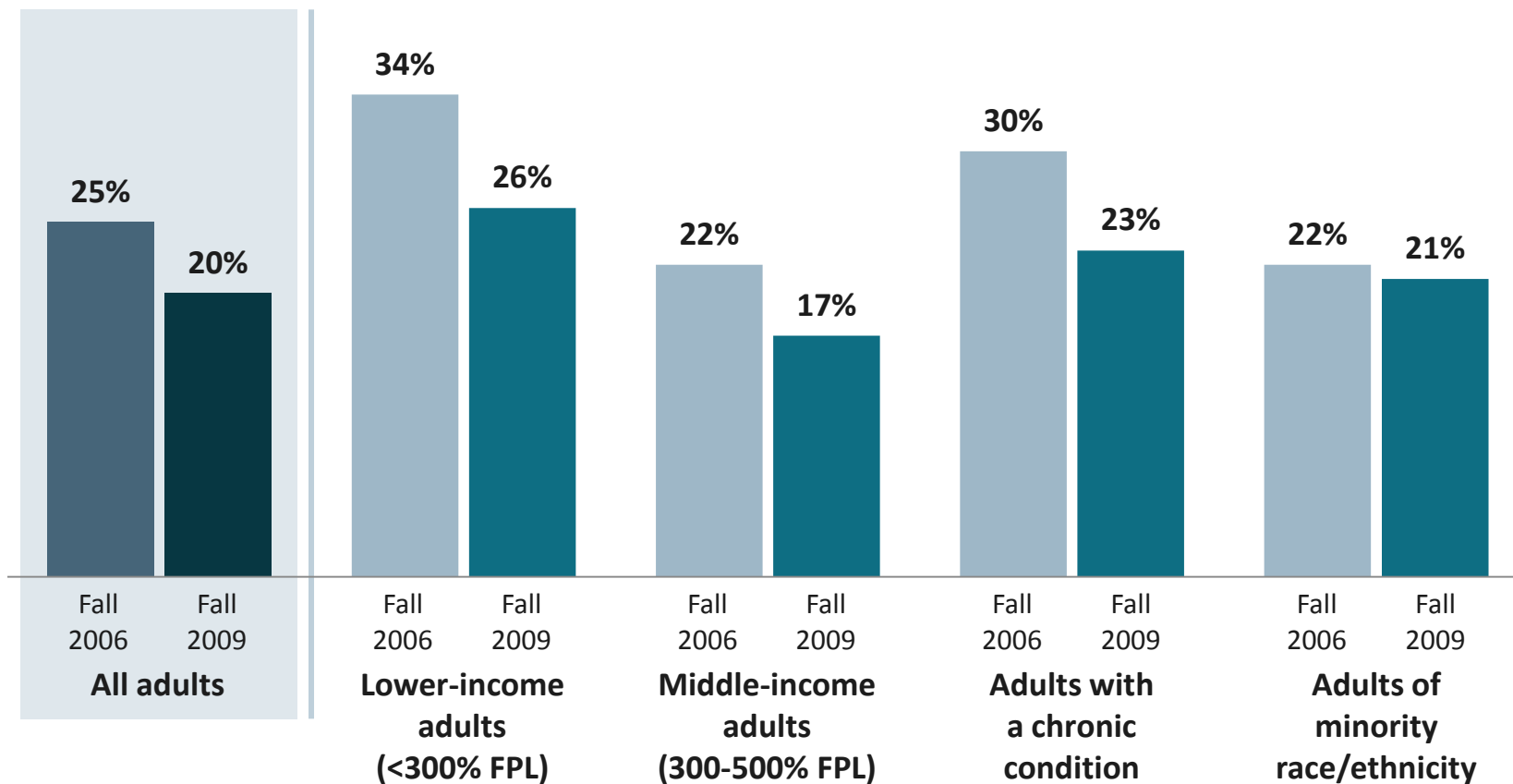


Under health reform, unmet needs due to cost fell between 30 and 40 percent among low-income residents and residents with chronic health conditions.

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

UNMET NEED FOR CARE FOR ANY REASON HAS DECREASED SINCE REFORM

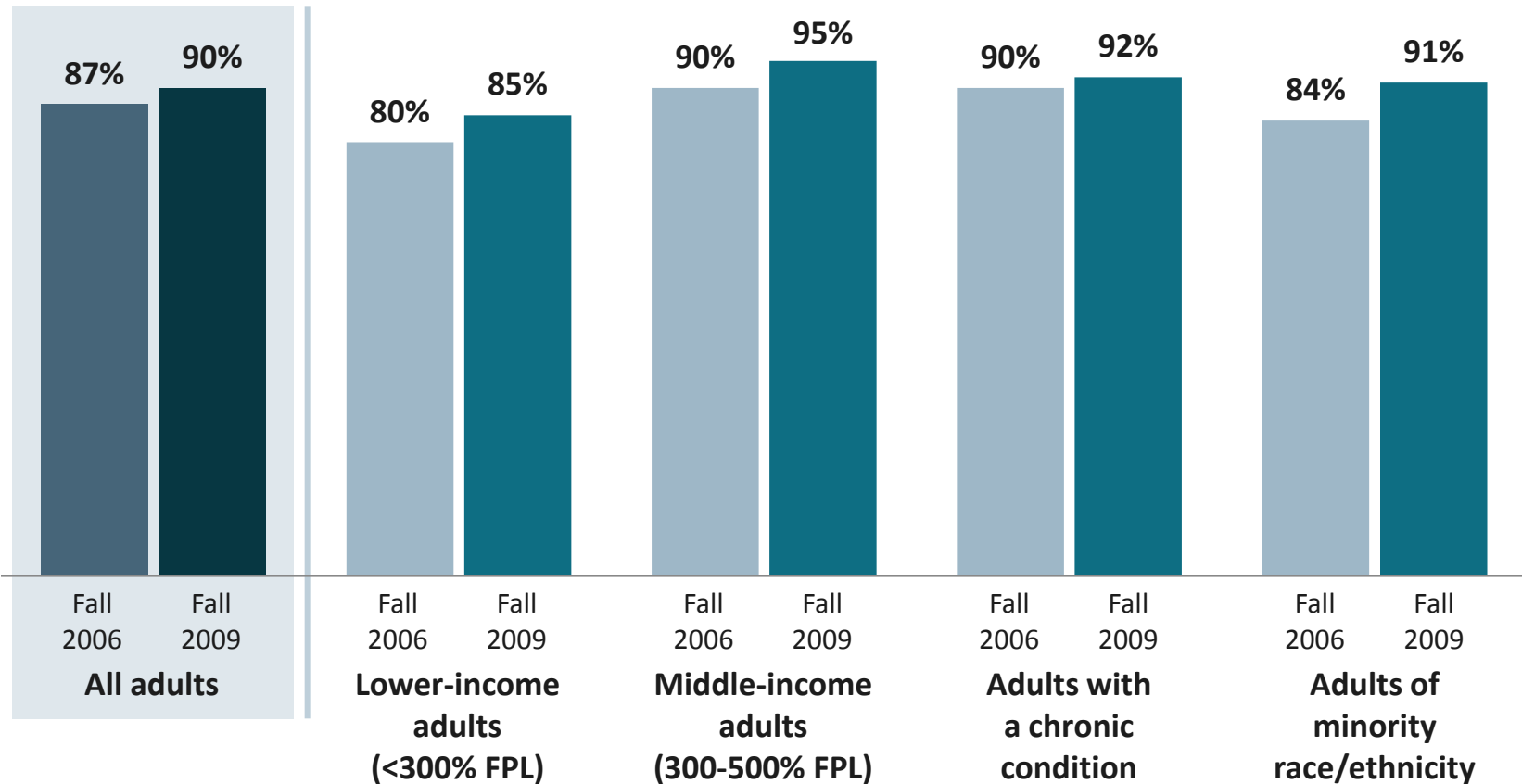
PERCENT OF NON-ELDERLY ADULTS REPORTING AN UNMET NEED FOR CARE FOR ANY REASON, BY SELECTED POPULATIONS



SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

MORE MASSACHUSETTS ADULTS HAVE A USUAL SOURCE OF CARE

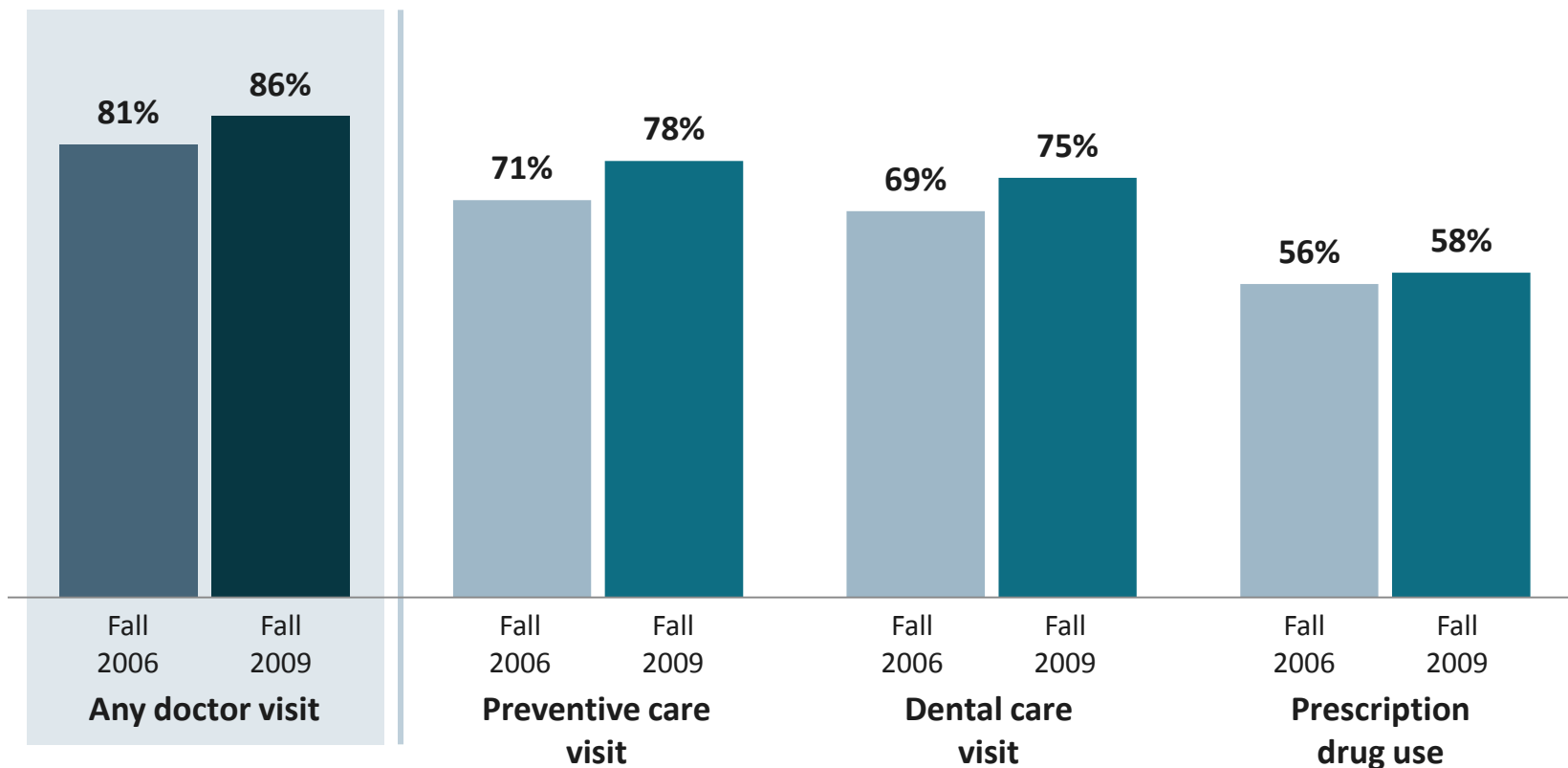
PERCENT OF NON-ELDERLY ADULTS REPORTING A USUAL SOURCE OF CARE, SELECTED POPULATIONS



SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

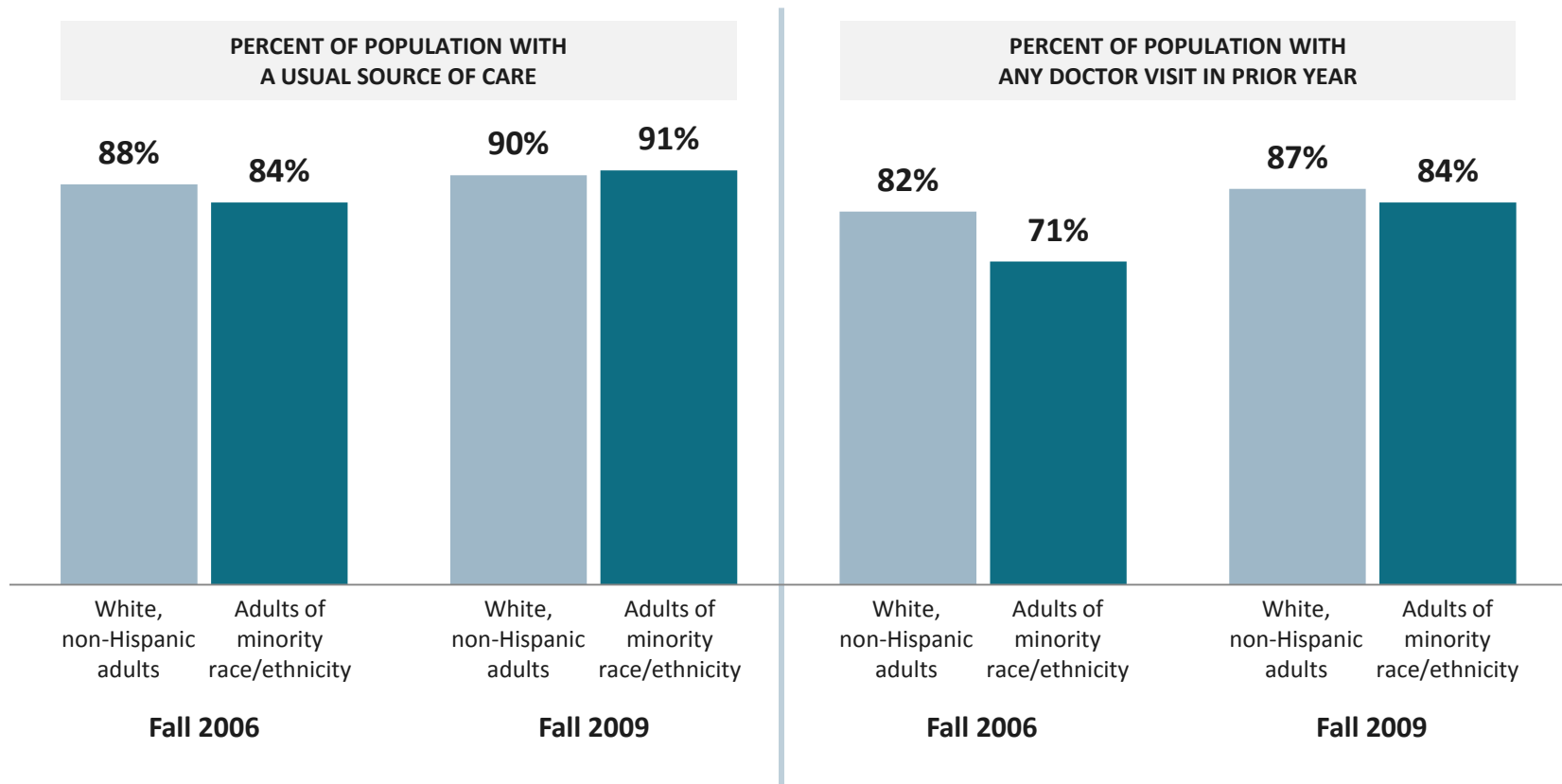
PREVENTIVE CARE AND USE OF OTHER MEDICAL SERVICES HAVE INCREASED AMONG MASSACHUSETTS ADULTS SINCE REFORM

PERCENT OF NON-ELDERLY ADULTS REPORTING USE IN PRIOR YEAR, BY TYPE OF SERVICE



SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

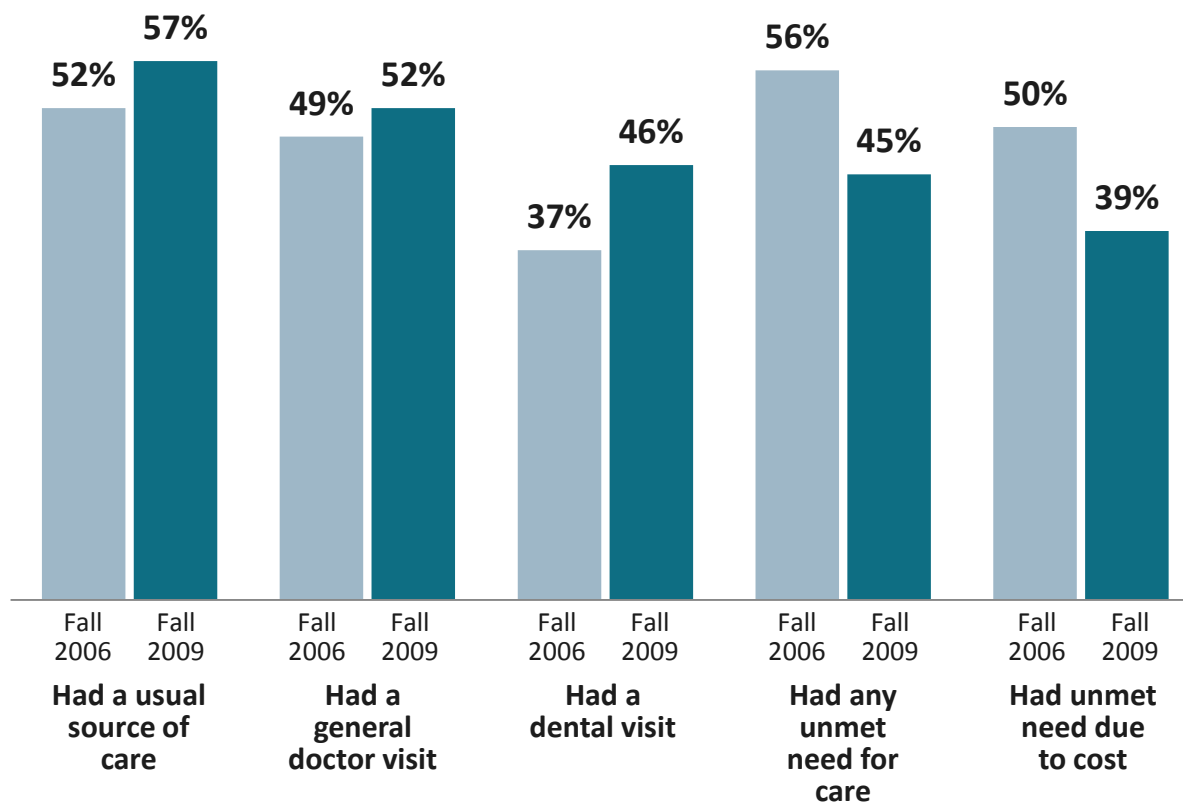
RACIAL/ETHNIC DISPARITIES IN ACCESS TO AND USE OF CARE HAVE LARGELY DISAPPEARED IN MASSACHUSETTS SINCE REFORM



source: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

ACCESS AND USE IMPROVED AMONG REMAINING UNINSURED

PERCENT OF NON-ELDERLY ADULTS REPORTING USE IN PRIOR YEAR, BY TYPE OF SERVICE



Even for the remaining uninsured in Massachusetts, access to care has improved and barriers to care have decreased.

source: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

HOW DOES THE PUBLIC FEEL ABOUT MASSACHUSETTS HEALTH REFORM?

- Two out of three adults support Massachusetts health reform.
- Physician support for reform remains high.
- Most employers agree that health reform has been good for Massachusetts.

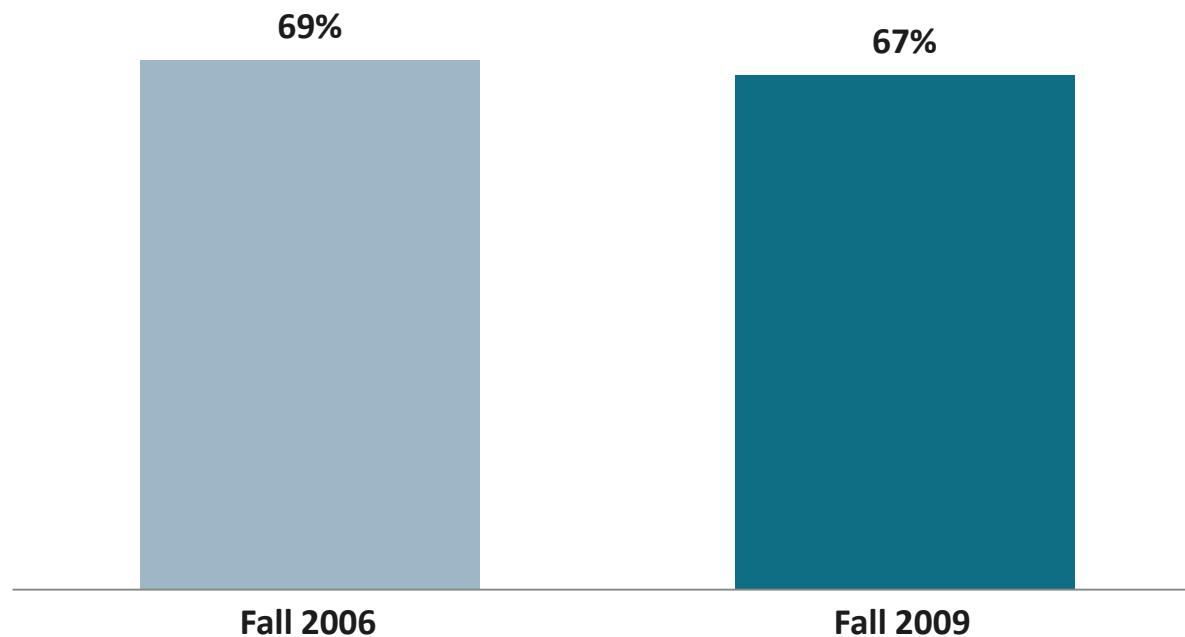
SOURCES: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

Gabel JR, et. al.; "After the Mandates: Massachusetts Employers Continue to Support Health Reform as More Firms Offer Coverage;" *Health Affairs*; web exclusive; October 28, 2008.

SteeleFisher GK, et. al.; "Physicians' Views of the Massachusetts Health Care Reform Law — A Poll;" *NEJM*; Oct 21, 2009.

PUBLIC SUPPORT FOR MASSACHUSETTS HEALTH REFORM HAS REMAINED HIGH

PERCENT OF NON-ELDERLY ADULTS INDICATING SUPPORT FOR MASSACHUSETTS HEALTH REFORM LAW



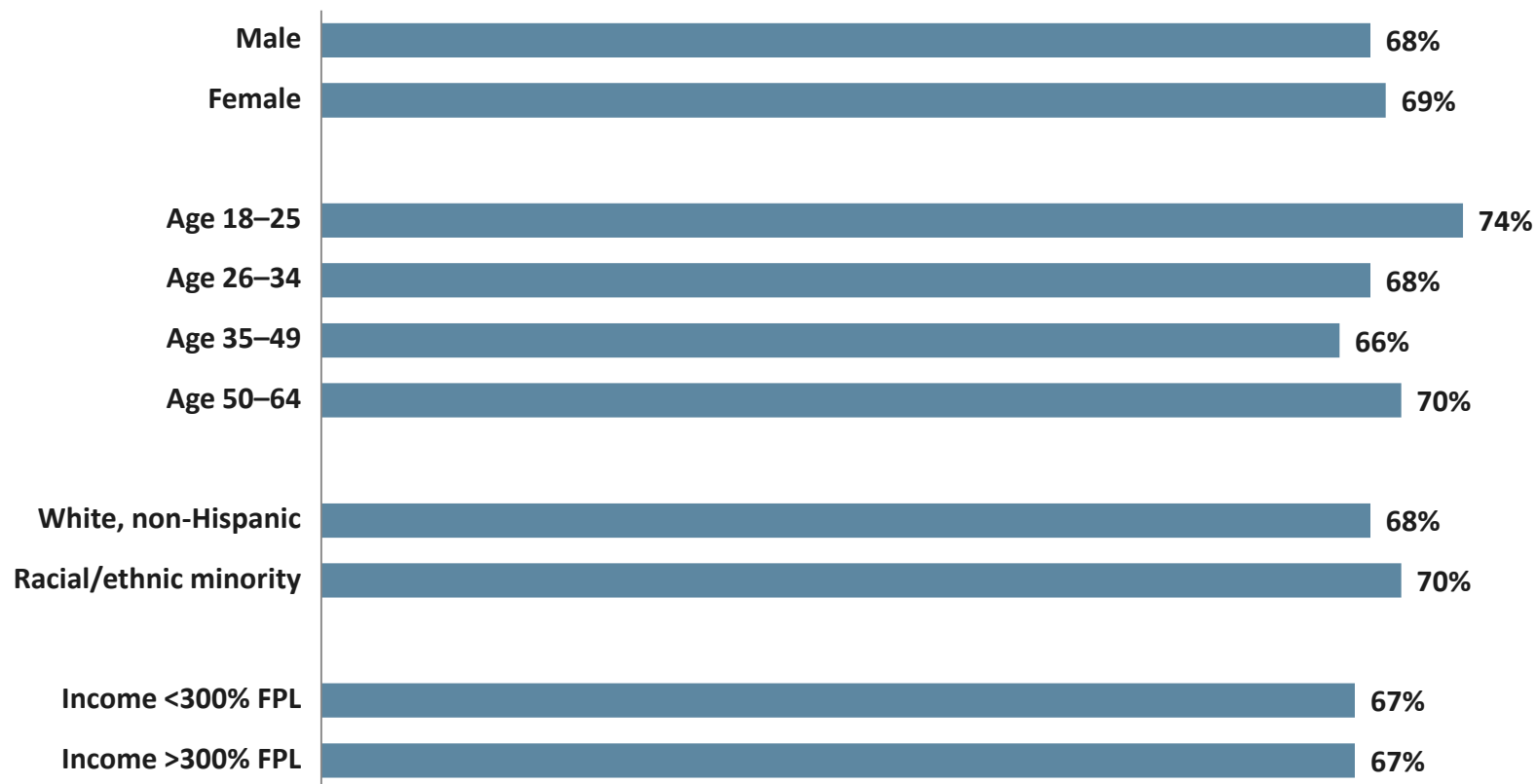
Two out of three adults support Massachusetts health reform.

Support for reform has been relatively stable throughout reform implementation.

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

PUBLIC SUPPORT FOR MASSACHUSETTS HEALTH REFORM IS CONSISTENT ACROSS VARIOUS POPULATION GROUPS

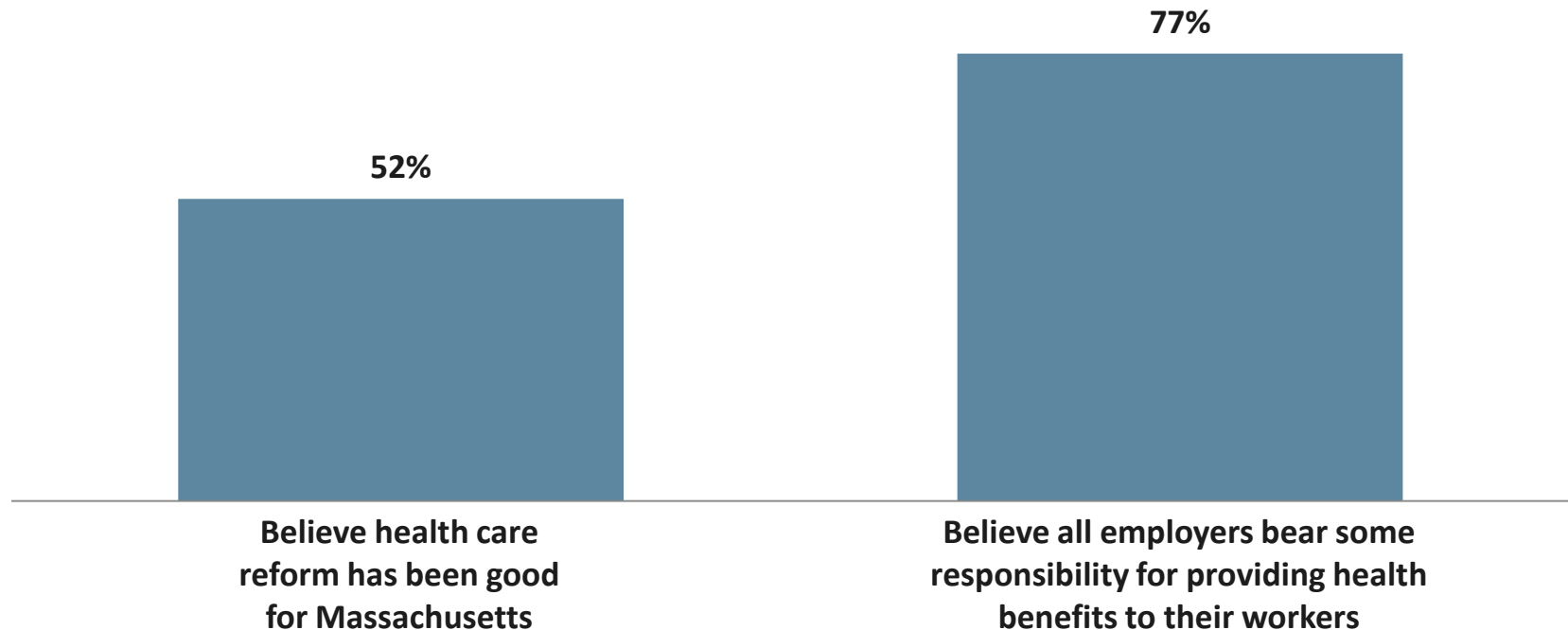
PERCENT OF NON-ELDERLY ADULTS INDICATING SUPPORT FOR MASSACHUSETTS HEALTH REFORM LAW, BY SELECTED POPULATIONS, 2009



SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

MOST EMPLOYERS BELIEVE HEALTH REFORM HAS BEEN GOOD FOR MASSACHUSETTS

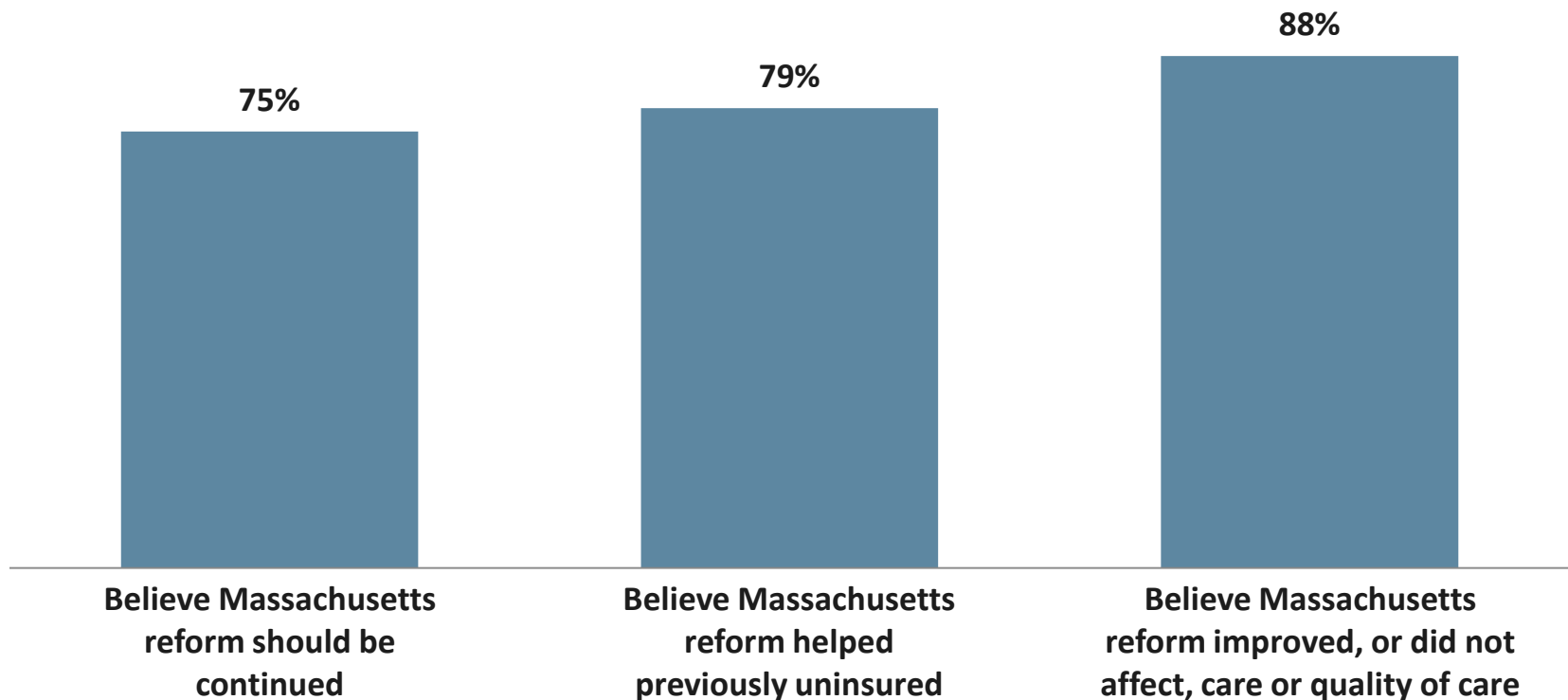
PERCENT OF MASSACHUSETTS EMPLOYERS REPORTING BELIEF, 2008



SOURCE: Gabel JR, et. al.; "After the Mandates: Massachusetts Employers Continue to Support Health Reform as More Firms Offer Coverage;" *Health Affairs*; web exclusive; October 28, 2008.

MASSACHUSETTS PHYSICIANS VIEW HEALTH REFORM AS A SUCCESS

PERCENT OF MASSACHUSETTS PHYSICIANS REPORTING BELIEF, 2009



source: SteeleFisher GK, et. al.; "Physicians' Views of the Massachusetts Health Care Reform Law — A Poll;" *NEJM*; Oct 21, 2009.

WHAT CHALLENGES REMAIN FOR MASSACHUSETTS HEALTH REFORM?

- The remaining uninsured include some who may be more difficult to persuade to obtain coverage and many who do not qualify for government-subsidized or employer-sponsored coverage.
- Barriers to care persist for some populations.
- Rising health care costs, independent of reform, threaten the sustainability of the entire health care system.

REMAINING UNINSURED ADULTS MAY BE DIFFICULT TO PERSUADE TO BUY COVERAGE OR MAY NOT QUALIFY FOR SUBSIDIZED OR EMPLOYER-SPONSORED COVERAGE

- 43 percent are young adult (18–25 years of age).
- 65 percent are male.
- More than half have never been married.
- 80 percent report they were in good, very good, or excellent health.
- More than 75 percent have incomes less than 3 times the federal poverty level.

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

SOME BARRIERS TO PRIMARY AND PREVENTIVE CARE REMAIN IN MASSACHUSETTS

- 1 in 5 non-elderly adults report challenges finding a physician who would see them. ¹
- Only slightly more than half of adult diabetics receive recommended preventive care. ²
- Nearly half of emergency department visits are potentially preventable, and the number has decreased from 2008 to 2009. In FY2009, it is estimated that over \$570 million was spent on potentially preventable ED visits. ³
- In FY2009, 12 percent of adult hospitalizations could have been avoided with effective ambulatory care, representing an estimated \$719 million. ⁴

SOURCES:

¹ Urban Institute, *Massachusetts Health Reform Survey*, 2010.

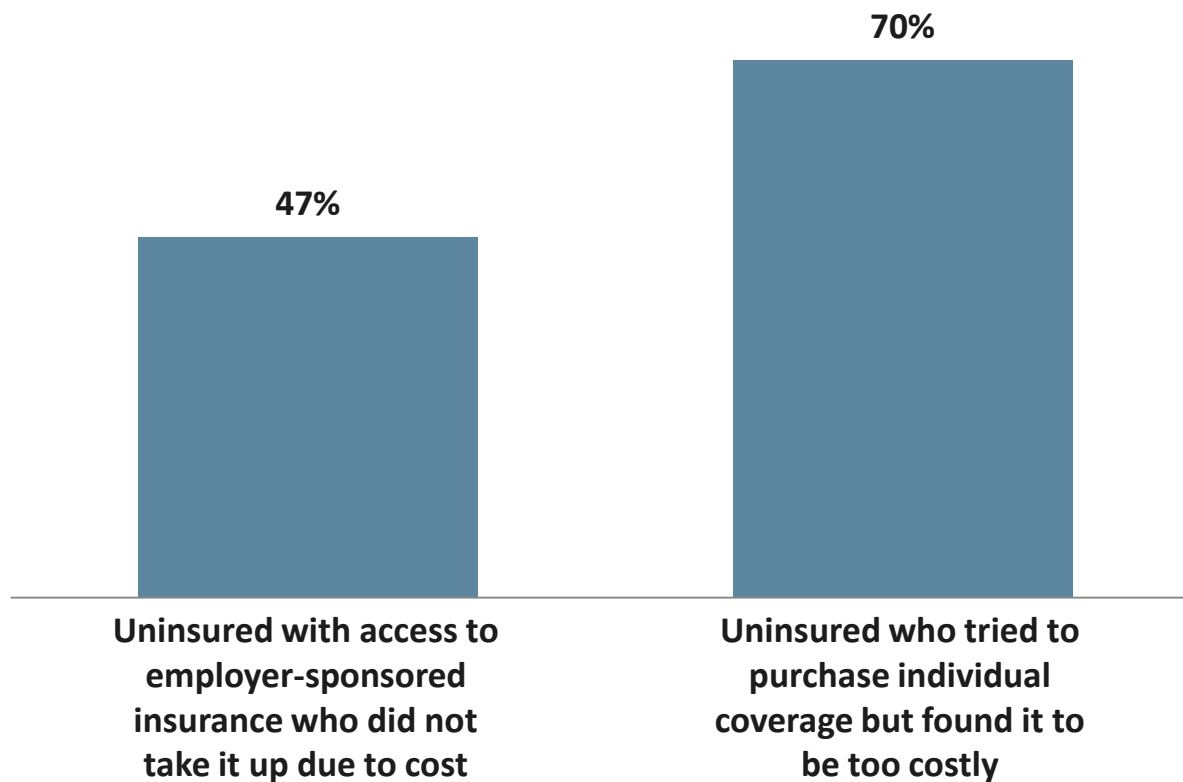
² Cantor JC, et. al. *Aiming Higher: Results from a State Scorecard on Health System Performance*.

New York: The Commonwealth Fund Commission on a High Performance Health System, The Commonwealth Fund, 2007.

^{3,4} Massachusetts Division of Health Care Finance and Policy, *Challenges in Coordination of Health Care Services*, June 2011.

AFFORDABILITY OF COVERAGE REMAINS A CHALLENGE IN MASSACHUSETTS

PERCENT OF NON-ELDERLY UNINSURED ADULTS REPORTING COST BARRIER TO OBTAINING COVERAGE, 2009

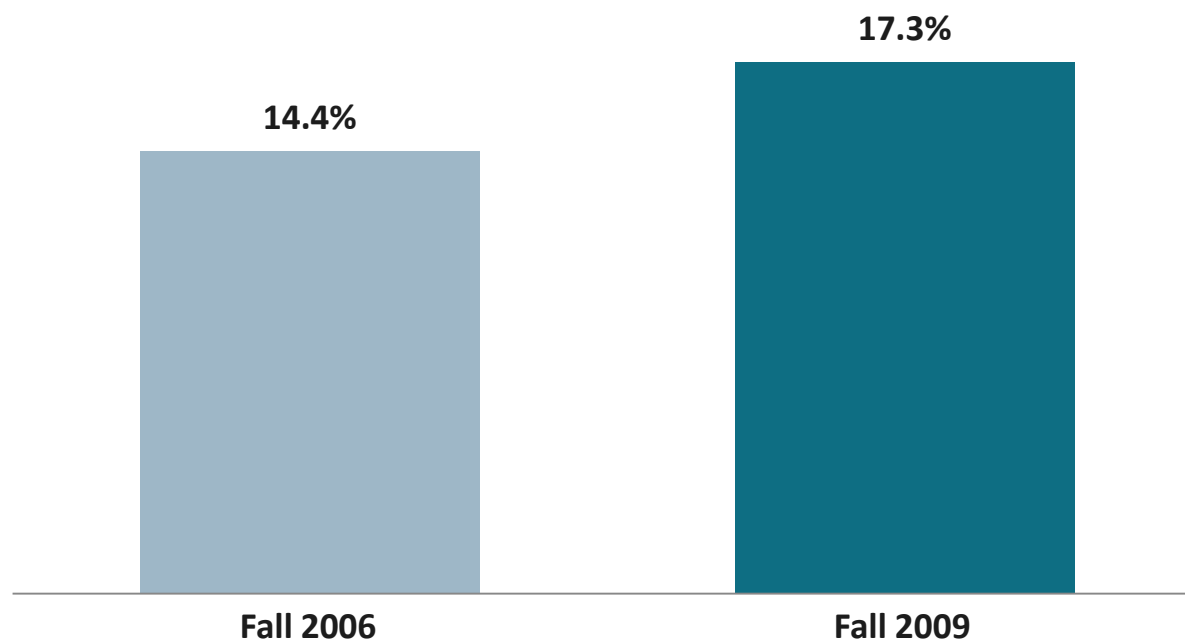


Many of the remaining uninsured report cost-related reasons for not obtaining coverage.

source: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

MORE INSURED ADULTS REPORT PROBLEMS PAYING MEDICAL BILLS

PERCENT OF INSURED NON-ELDERLY ADULTS REPORTING PROBLEMS PAYING MEDICAL BILLS



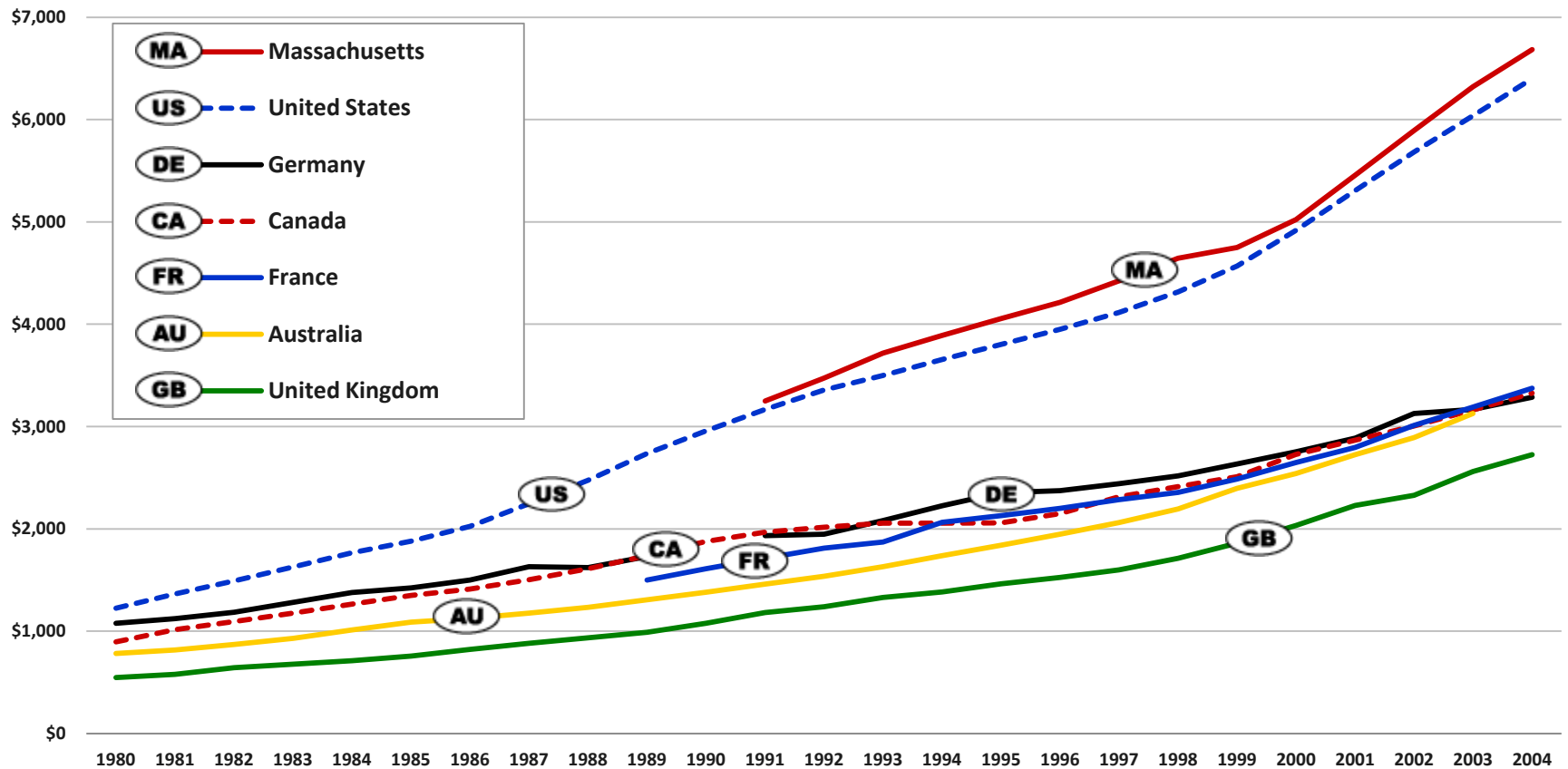
A greater percent of insured residents reported problems paying medical bills in 2009 than in 2006, most likely due to the economic recession.

Those with problems paying medical bills are more likely to be:

- Black, non-Hispanic
- Female
- Have a child under age 18
- Low-income
- In fair or poor health status

SOURCE: Urban Institute, *Massachusetts Health Reform Survey*, 2010.

THE U.S. HAS THE HIGHEST HEALTH CARE EXPENDITURES PER CAPITA AMONG INDUSTRIALIZED NATIONS, AND MASSACHUSETTS HAS THE HIGHEST HEALTH CARE COSTS IN THE U.S. (1980-2004)

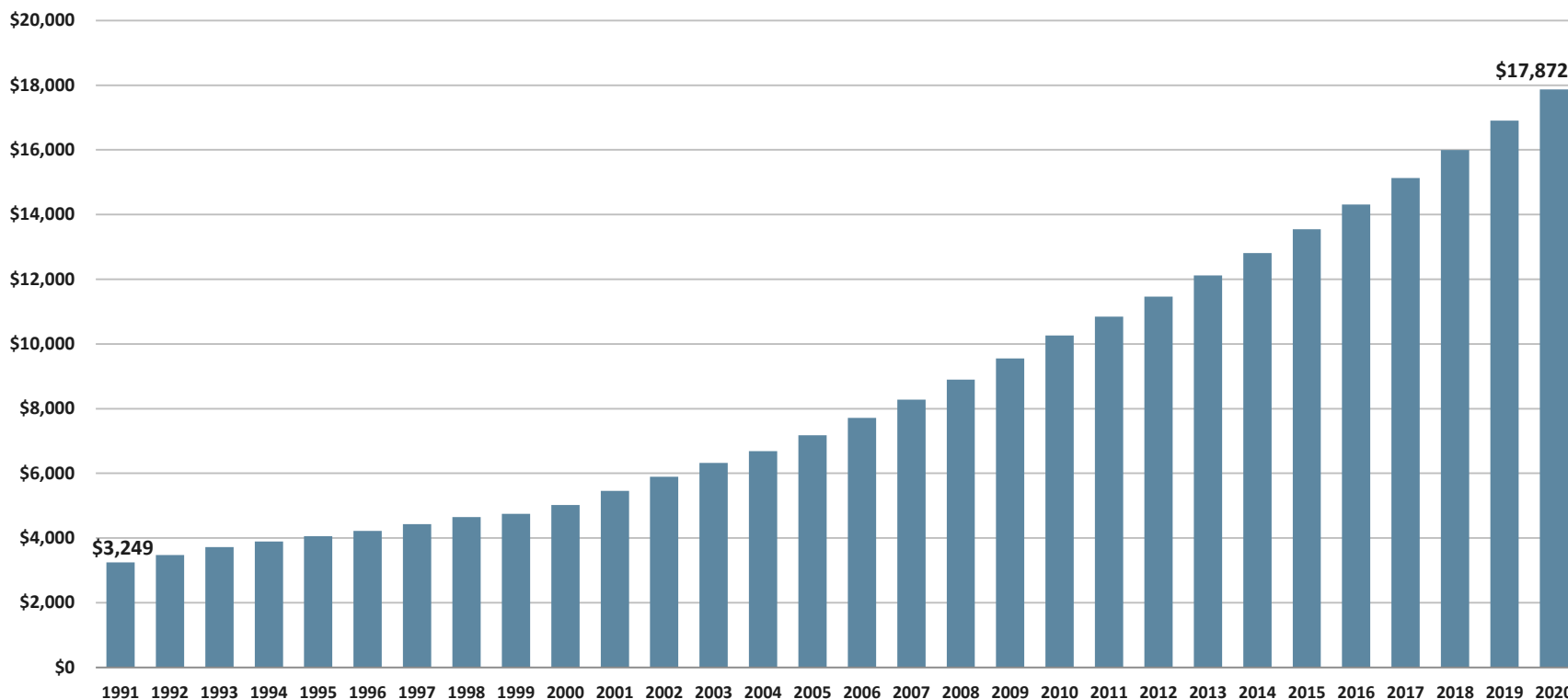


NOTE: U.S. dollars are current-year values. Other currencies are converted based on purchasing power parity.

SOURCE: Commonwealth Fund (2008), CMS (2007), U.S. Census (2009).

WITH NO INTERVENTION, PER CAPITA HEALTH CARE SPENDING IN MASSACHUSETTS IS PROJECTED TO NEARLY DOUBLE BETWEEN NOW AND 2020

MASSACHUSETTS PER CAPITA HEALTH CARE EXPENDITURES



NOTE: Health expenditures are defined by patient residence and include personal health expenditures, which exclude expenditures on administration, public health, and construction. Data for 2005–2020 are projected assuming 7.4% growth 2005–2010 and 5.7% growth 2010–2020.

SOURCE: Centers for Medicare & Medicaid Services (CMS), Office of the Actuary, National Health Statistics Group, 2007. Projections for 2005–2020 by MA Division of Health Care Finance and Policy.