



**Consumers for  
AFFORDABLE  
Health Care**

*Advocating the right to quality, affordable  
health care for every man, woman and child*

# News Release



**EMBARGOED RELEASE:** Until January 15, 2009 12:00 p.m.

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## **Maine Consumers, Businesses, Medical Groups & Legislators Supporting Same Policies to Improve Health Care System**

### **New Report Shows Best Ways to Keep Quality of Care While Reducing Costs**

(Augusta) Consumers for Affordable Health Care (CAHC) along with Maine Voices for Coverage\* is pleased to be releasing a new report that will explain how **we can cut costs** in our health care system through some relatively easy measures that will still **maintain the quality** of care Maine people need and deserve.

We are holding a press conference jointly with our partners in the Maine Voices for Coverage campaign **January 15<sup>th</sup> at noon in the State House Hall of Flags**. At the press conference we are releasing the report called “A Call to Action on Health Care Reform 2009: The Transparency Imperative” explaining how small changes in Maine law can increase transparency in our health care system. These changes would enable Maine people to get the information they need to make informed decisions about where and how their hard-earned money would best be spent for health care.

CAHC Executive Director, Joe Ditré explains how these transparency measures can help our entire health care system save money in the end, *“If we are going to achieve health care for all Maine people, it will be because we have also tackled cost drivers and spending in our health care system. We need to be able to connect the money spent in the system with the outcomes of medical care Mainers are getting—This is critical for consumers, insurers and providers to make more informed decisions about treatment options and, where able, to comparison shop. Having this sort of transparency in our health care system will also enable us to build health care payment models that will allow us to take the dollars we save and use them to increase access to care and improve its quality.”*

**Many of the policies we are calling for in our report will be included in a bill Representative Sharon Treat plans to submit this session.** *“Maine people and businesses are struggling with the cost of health insurance and the difficulty in finding affordable policies that cover necessary prevention and procedures without impossible co-pays. My legislation will directly address the cost and adequacy of health insurance by making sure that a larger share of the premiums we pay goes to paying our health care bills and not to administration, by giving the Insurance Superintendent more tools for reviewing the need for rate increases, and by improving competition in the marketplace through public disclosure of insurance policies details on the web,”* says Representative Treat.

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Consumers for Affordable Health Care and Maine Voices for Coverage plans to support Rep. Treat's legislation as well as others that help pass the transparency measures we've included in our report.

Transparency in the cost and quality of health insurance and health care services is critical to our mission of trying to ensure all Mainers have quality, affordable health care. While expanding access to health coverage by traditional means may seem out of reach in these tough economic times, our report shows we CAN cut the cost of care while still maintaining or improving the quality of that care and in turn use some of those savings to expand care for the uninsured or underinsured.

The Maine Medical Association (MMA), which is made up of about 2000 physicians from across the state, says that even though these policies may call for more work on their part, they are measures we MUST put into place. MMA Executive Vice President, Gordon Smith says, *"Increasingly the interest of patients and providers are aligned. Physicians are just as frustrated with problems in our health care system as patients. The system is not working well for either. So the Maine Medical Association feels compelled to make the system better for patients. This in turn will help us as well as physicians."*

**To understand better how more transparency from insurers and providers may affect the every day Mainer, ask yourself these questions:**

Ever try comparing which insurance plan would be best for you, but can't get the information from the companies to do so? Ever been led to believe by insurers that something was covered, and then received a bill after the fact because it wasn't actually covered in your plan? Ever have your insurance costs skyrocket, but can't get an explanation as to why? Ever want to find out which doctors give the best quality care for the best price, but can't find that information?

**With better transparency in our health care system, Mainers will finally be able to get the information they need and deserve to make better informed decision for ourselves and our families.**

**Report Highlights** (Please refer to report included with this release for details.)

#### **Policy Change Suggestions for Insurers**

- **Require posting of all certificates of coverage on insurance carrier websites as well as Bureau of Insurance website for purposes of comparison.**
- **Require insurance carriers to spend at least 85 cents of every premium dollar on actual medical care for each line of business.**
- **Require posting of comparative information on administrative costs, reserves, profits, lobbying costs, commissions, and marketing, for all insurance companies.**
- **Increase transparency in insurance company rate requests; require public reporting of their medical and pharmaceutical cost trends, and reform rate review standards.**
- **Tie cost data to rate setting**
- **Require standardized benefit packages for small group plans, and improve existing standardization for individual plans.**
- **Standardize insurance claim forms and explanation of benefit forms.**

#### **Policy Change Suggestions for Providers**

- **Require reporting of total price for episode of care or for all services related to a certain diagnosis, including doctor services.**

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- **Require expansive price transparency, listing prices and negotiated prices by service, by provider and by payer.**
- **Require public reporting that tie cost and quality data together in order to improve value purchasing.**

There is much room for our health care system to work better and more cost effectively, but only if consumers, employers and providers have enough information to make informed decisions.

**Our report and information on how you can get involved in the Maine Voices for Coverage campaign can be found on our website at**

<http://www.maine cahc.org/foundation/mainevoicesforcoverage.htm>.

\***Maine Voices for Coverage** is a grant-funded, statewide effort to bring the views of every day people to policymakers to ensure all Mainers have access to quality, affordable health care that is there when they need it. Consumers for Affordable Health Care and a team of members from the American Cancer Society of Maine, Maine AFL-CIO, Maine Council of Churches, Maine Center for Economic Policy, Maine Equal Justice, and Maine People's Resource Center are leading this next giant leap toward health care for all in Maine.

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