
Universal Coverage Studies

Robin Lunge

Director of Health Care Reform

Agency of Administration

Study Options for Universal Primary Care

Option 1: No Cost

- Tax Options to finance the totals from Dec 2015 report
- Literature review on impacts of primary care investments & any cost savings downstream
- Update on status of capitated payment in accountable care model

Option 2: \$100k (gross)

Option 1 plus:

- Actuarial analysis of financial impacts on individual, small group & large group insurance markets of providing universal primary care through a public program
- NOTE: this assumes that data collection is paid for by Dr. D 2.0 Study.

How much \$ will need to be publicly financed?

	Costs (2017)	UPC with Cost-Sharing	UPC with No Cost-Sharing
A	Medical Claims (netting out Medicaid \$)	\$113 million	\$175 million
B	Administrative Cost Estimate (7%-15%)	\$8-\$26 million	\$12-\$35 million
	TOTAL BASE COST (Claims + Admin)	\$121-\$139 million	\$187-\$210 million
C	Provider Reimbursement Increases (modeled 10%-50% increases as possible options)	\$25-\$135 million additional	
D	Other costs	Identified by AOA and JFO for further study if moving forward	

Decision Point:

Provider reimbursement increases

Provider Reimbursement Increases at 10%, 25%, and 50% above Status Quo

Provider Reimbursement Increases	Status Quo	UPC With Cost-Sharing	UPC Without Cost-Sharing
10 % increase	\$25,164,000	\$24,838,000	\$26,941,000
25% increase	\$62,709,000	\$62,097,000	\$67,353,000
50% increase	\$125,285,000	\$124,193,000	\$134,705,000

Study Options for Dr. D 2.0

Option 1: House Passed

\$310k (gross)

- Actuarial analysis of financial impacts on individual, small group & large group insurance markets of providing coverage up to age 26 through Dr. D
- Cost of expansion
- Tax Options
- Economic Impacts of Taxes

Option 2: No Cost

- Estimated costs and admin costs of expanding Dr. D based on current budget PMPMs
- Tax Options

Other Considerations

- What these reports will NOT include
 - ERISA analysis
 - Health Savings Account analysis
- Data collection & contractors should be the same for both to minimize cost
- JFO review
 - Provides critical input, which improves the final product
 - Ensures legislative staff have an in depth understanding of the final product