

“AN ACT ESTABLISHING MEDICARE FOR ALL IN MASSACHUSETTS”



A brief primer on SD2062, HD2974

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THE BILL IN A NUTSHELL

“It is hereby declared to be the policy of the commonwealth to provide equitable access to quality, affordable health care services for all its residents as a right, responsive to the needs of the commonwealth and its residents, without co-insurance, copayments or deductibles, and be accountable to its citizens through the [Massachusetts Health Care] Trust.”

WHAT WILL THE HEALTH CARE TRUST DO?

The Trust will guarantee **high quality healthcare** to all residents by:

1. **Paying for all medically appropriate health care services** performed by eligible providers or facilities chosen by the resident; and
2. **Funding capital investments** to make sure **all parts of the state** have adequate health care facilities and resources.

ANNUAL BUDGETS

The **Operating Budget** of the Trust will pay for:

- **Services rendered** by physicians and other clinicians
- **Global budgets** for institutional providers
- **Capitation payments** for capitated groups, and
- **Administration** of the Trust

ANNUAL BUDGETS (cont.)

The **Capital Expenditures Budget** will pay for:

- **Constructing or renovating health facilities**
- **Major equipment purchases**



ADMINISTRATIVE STRUCTURE OF THE TRUST

(Executive Office of Health and Human Services)

THE MASS. HEALTH CARE TRUST

(not under the control of HHS)

BOARD OF TRUSTEES

	Gov. appoints:	Attorney Gen. appoints:	Public Elects:
Sec Health and Human Services	3 nominees by org of health care professionals	1 nominee by statewide labor organization	8 trustees, each from a different Governor's Council district
Sec Admin & Finance	1 nominee by org of HC facilities	2 nominees by statewide Single Payer advocacy org.	
Commissioner of Public Health	1 nominee by org of non-HC employers	1 nominee by org of senior citizens	
	Health care economist	1 nominee by org representing children's rights	
		1 nominee by org legal services to low-income	

EXECUTIVE DIRECTOR

REGIONAL DIV.	ADMINISTRATIVE DIV.	PLANNING DIV.	IT DIVISION	QUALITY ASSURANCE
Offices throughout state: public education, annual hearings	Makes payments, collects reimbursements	Coordinates HC resources and capital expenditures	Billing system, confidential records, quality monitors	Develop best practices: hospital staffing, clinical care, integrated care, end of life care

WHO WILL BE ON THE BOARD OF TRUSTEES?

The Board will be comprised of **23 members**, to include:

- The **Secretary of Health and Human Services**
- The **Secretary of Administration and Finance**
- The **Commissioner of Public Health**



WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

Six trustees appointed by the Attorney General and nominated by:

- a statewide **labor organization**;
- statewide organizations that have **advocated for single-payer (2)**;
- an organization **representing senior citizens**;
- a statewide organization defending the **rights of children**;
- an organization providing **legal services to low-income residents**.

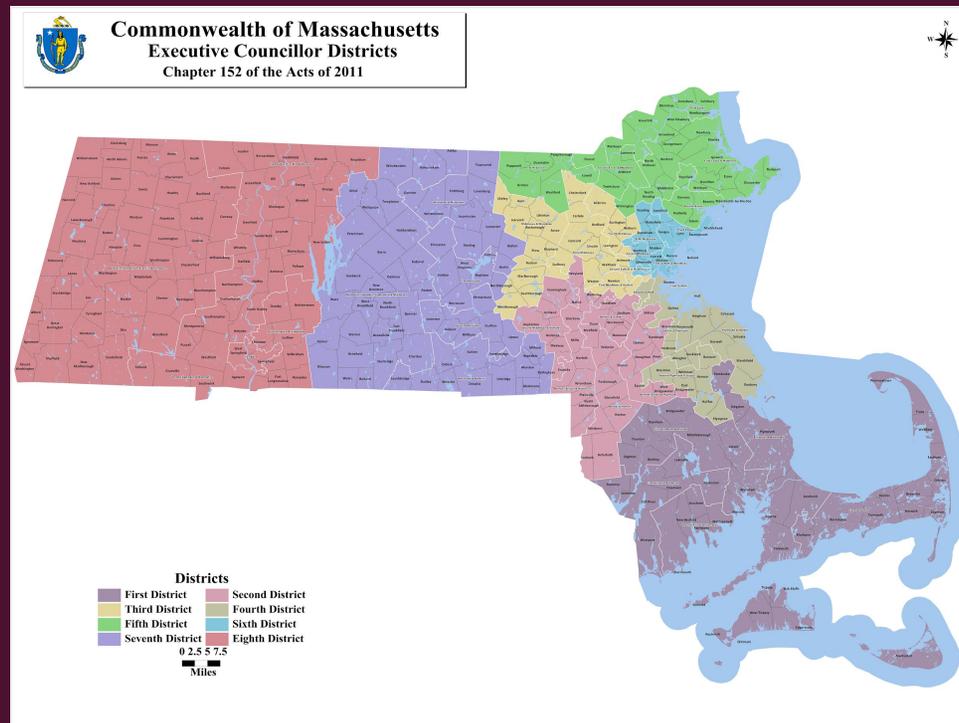
WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

Six trustees appointed by the Governor:

- Three nominated by organizations of **healthcare professionals** who deliver direct patient care
- One nominated by a statewide organization of **health care facilities**
- One nominated by an organization representing **non-health care employers**
- One **health care economist**

WHO WILL BE ON THE BOARD OF TRUSTEES? (cont.)

And **eight trustees** elected by MA citizens, each from a different Governor's Council district.



DUTIES OF THE EXECUTIVE DIRECTOR

The Board of Trustees will hire an **Executive Director**, who will:

- Establish the **enrollment system**
- Seek all necessary waivers, exemptions, agreements, or legislation, if needed, so that all **current federal payments for health care will be paid directly to the Trust**
- Negotiate **price discounts** for prescription drugs and medical equipment
- Negotiate or establish **rates of reimbursement** for medical services
- Develop the **payment system** for paying providers
- Oversee the **budget**
- Prepare an **annual report**
- Appoint **directors for five operational Divisions . . .**

THE REGIONAL DIVISION

Will oversee offices located throughout the state to:

- Implement a **statewide education program** to keep the public informed about all aspects of the Health Care Trust
- Hold **annual public hearings**

THE PLANNING DIVISION

Will coordinate **health care resources** and **capital expenditures** to make sure all eligible participants have reasonable access to covered services.

THE INFORMATION TECHNOLOGY DIVISION

Will develop an IT system that **coordinates all medical and dental facilities**, maintains **confidential medical records**, and develops a **patient tracking** system to monitor quality of care and promote preventive care guidelines.

THE ADMINISTRATIVE DIVISION

- Will make **payments** for covered services and **seek reimbursement** for non-covered services
- **Invest** trust fund assets
- Develop **budgets** for the Trust

THE QUALITY ASSURANCE DIVISION

Will support the establishment of best **quality of care standards**, including:

- Appropriate staffing levels
- Evidence-based clinical practices
- Elimination of medical errors
- Timely access to medical and dental care
- Integrated patient-centered care
- Compassionate end-of-life care

ELIGIBLE PARTICIPANTS: RESIDENTS

All Massachusetts residents will be eligible to participate in the Healthcare Trust.

- A “resident” must **live in Mass. and demonstrate intent to continue living in Mass.** if temporarily absent.
- Minimum amount of time a person must live in Mass. to be covered by the Trust: no more than 90 days for standard care, or two years for long-term care.
- Homeless persons living in MA qualify as residents.

ELIGIBLE PARTICIPANTS: NON-RESIDENTS

- **Non-residents who work 20 hours or more per week in Mass., who pay applicable state taxes, who pay additional premiums established by the Trust to cover non-residents, and who have done the above for at least 90 days**
- **Non-residents requiring emergency treatment (the Trust will recoup whatever expenses it can)**

ELIGIBLE PARTICIPANTS:

Travel and visitors

- Emergency care for Mass. residents provided out of state will be reimbursed at prevailing rates.
- Non-emergency care for Massachusetts residents obtained out-of-state will be reimbursed according to rates set by the Executive Director.
- Visitors to Mass. will be billed for services received under the system.

ELIGIBLE PROVIDERS AND FACILITIES

Eligible providers and facilities will include those providing any covered benefit to an eligible patient, so long as the provider or facility:

- Is **licensed** to operate in Massachusetts
- Does **not** provide health care services that are covered, but not paid for, by the Trust
- Provides a signed agreement to not discriminate, to keep patient information confidential, to **not** practice “balance billing”, and to provide the Trust with all reasonable information needed to make payment decisions
- Meets state and federal guidelines on safe staffing, quality of care, and efficient use of funds for direct patient care, and
- Meets whatever additional requirements are established by the Trust.

COVERED BENEFITS

The Trust will pay for **all professional services** provided by eligible providers and facilities to eligible participants needed to:

- Provide **high quality, medically necessary** health care
- Increase use of **preventive and primary care**, and
- **Integrate** physical, mental and behavioral health, and substance abuse services.

Covered benefits will include, but not be limited to:

- Labs, diagnostic testing, inpatient, ambulatory and emergency care, blood and blood products, dialysis, mental health services, palliative care, dental care, acupuncture, physical therapy, chiropractic and podiatric services
- Screening, counseling, and health education
- Rehab services, including physical, psychological, and other specialized therapies
- Mental health services, including supportives residences
- Prenatal, perinatal and maternity care, family planning, fertility, and reproductive health care

- **Home health care**, including personal care
- **Long term care** in institutional and community-based settings
- **Hospice care**
- **Language interpretation**
- **Emergency** and other medically necessary **transportation**
- **Dental services** (excluding cosmetic dentistry)
- **Vision care**, including glasses (excluding laser vision correction for cosmetic purposes)
- **Hearing** evaluation and treatment, including hearing aids
- **Prescription drugs**, and
- **Durable and non-durable medical equipment**

A NOTE ON INSURANCE COMPANIES

Insurance companies will be **prohibited** from charging premiums to eligible participants for coverage of services covered by the Trust.

WRAPAROUND COVERAGE

The Trust will ensure that those eligible for federal programs such as Medicaid and Medicare will receive the same coverage as other Mass. residents under Single Payer by covering any gaps in coverage or cost-sharing until negotiations with the federal government are complete.

PROPOSED FUNDING

to replace premiums and out-of-pocket payments

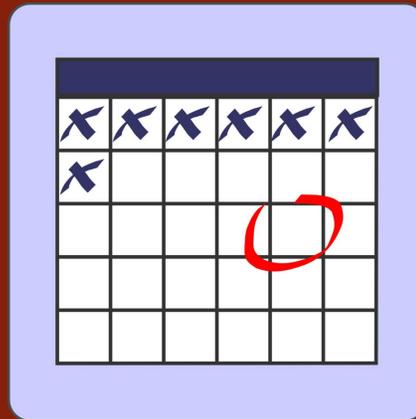
- Employer **payroll tax of 7.5%**, exempting the first \$30,000 of payroll per establishment. An **additional .44% payroll tax** on establishments with **100 or more employees**
- **Employee payroll tax of 2.5%**
- **10% payroll tax on the self-employed**, exempting the first \$30,000 of payroll
- **10% tax on unearned income** above \$30,000 (Social Security, SSI, unemployment benefits, and pension payments will not be taxed.)

SOME SPECIFIC ALLOCATIONS OF THE TRUST

- 5% or less of the Trust income annually: **pay for preventive care, education, outreach, and public health risk reduction**
- 2% or less: **supplement training of the healthcare workforce**
- 2% or less: **supplement other sources for training and retraining workers displaced** as a result of the new system
- 1% or less: **supplement other sources for medical research and innovation**
- **1% or less:** fund a **reserve account** in anticipation of demographic changes, inflation, epidemics, and extraordinary events that could impact health care costs
- Pay the administrative costs of the Trust which, within two years of full implementation, will not exceed 5% annually

IMPLEMENTATION TIME TABLE

Once this legislation is enacted, the Governor will make initial appointments to the Board of the Health Care Trust within 30 days, and the first Trustees meeting will take place within 60 days of the election of trustees to the Board.



Let's get this guy to the finish line!

