NEWS RELEASE GOVERNOR STEVE BULLOCK STATE OF MONTANA

FOR RELEASE: February 27, 2013 CONTACT: Judy Beck, 444-9725

Governor, Rep. Hunter Announce Access Health Montana Bill

Measure would create 5,000 jobs next year, Bullock says

HELENA – Governor Steve Bullock and Rep. Chuck Hunter (Helena) this afternoon announced details of the Access Health Montana legislation, saying the program would create thousands of jobs, while dramatically improving the health of Montana citizens and the state's economy.

"Today, too many hardworking Montanans – young and old and everywhere in between – are just one medical crisis away from bankruptcy," Bullock said. "Through Access Health Montana, we can provide access to health care to 70,000 more Montanans, create 5,000 new jobs next year, and take some long-overdue steps to improve the quality of care we provide and contain costs."

Access Health Montana expands access to care for tens of thousands of Montanans by using federal funds to expand our state's Medicaid program to individuals and families living below 138 percent of the federal poverty level. Eight Republican governors from across the country have already announced their intent to take advantage of Medicaid expansion.

Bullock also noted that the bill contains a termination provision or "circuit breaker," so that as Montana partners with the federal government in expanding access to care, the state is not left funding the entire expansion should the federal government later decide not to fund its share.

The Access Health Montana bill, sponsored by Rep. Hunter, is the result of extensive discussions over past months with legislators from both political parties, as well as Montana's business and medical communities, and health care advocates.

"Many of my colleagues arrived in Helena eight weeks ago, saying they were looking for the opportunity to create jobs. This is that opportunity," Rep. Hunter said. "But more than anything, we'll ensure that every Montanan – regardless of how little money they have or where they live – can see a doctor, and not just when they're deathly sick."

To increase the number of medical professionals who practice in Montana, Access Health Montana seeks \$200,000 in state funding to expand the medical residency program so that more physicians can complete their residency requirements in Montana. Since doctors tend to stay and serve in the places they train, this is one way to address the shortage of physicians in the state. Montana now has residency programs in Billings and Missoula.

"This is a win-win. We can help more Montanans who desperately need health care, create thousands of new jobs, and encourage more primary care physicians to practice here in Montana," Bullock concluded.

The Access Health Montana program also seeks \$908,174 to expand the WWAMI program – Washington, Wyoming, Alaska, Montana, Idaho training program – by 10 slots, a 25 percent increase in the number of seats for Montana medical students to attend their first year of medical school in Montana, and then complete the following years in Washington. This program has been extremely successful in encouraging doctors to come back to our cities, towns and rural areas to practice, but there hasn't been an increase in the number of positions open to Montana students through WWAMI in over two decades.

The Access Health Montana legislation proposes the implementation of a Patient Centered Medical Home program. This approach centers on making real improvements in the patient's health, not on what tests can be billed for. It requires health care professionals to coordinate their efforts to provide comprehensive primary care, including prevention and disease management services. By focusing on coordinating care and improving health, rather than simply treating illness, Montana will be better able to control the ever rising costs of health care.

Rep. Hunter said that the program will stabilize the cost of health care, in part because those with insurance are more likely to visit a doctor instead of a high-cost hospital emergency room, which shifts the cost to every Montanan. Through additional reforms, like instituting patient centered medical homes and improved preventative care, the legislation aims to lead to better care and lower costs.

In addition, the Access Health Montana bill also:

- increases provider rates by 2 percent in each of the next two years.
- creates a Patient Centered Medical Home Program advisory committee, comprised of seven members.
- creates a health trust account to be used by the legislature to improve the delivery of and access to health care. The health trust would be funded by any money that comes to the state when a nonprofit health care entity converts to a for-profit company.

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A fact sheet on the bill follows on page 3 of this document.

Access Health Montana

To have a healthy economy, Montana needs healthy citizens. However, health care costs have become a tremendous financial burden, even for those with health insurance. Montanans are paying too much for coverage and getting too little in return. Even families with two adults working full time, live with the apprehension created by knowing that they are just one medical crisis away from bankruptcy.

What Access Health Montana Means:

- Expanded access to quality health care for 70,000 more Montanans.
- Creates 5,000 new jobs in Montana next year and nearly 13,000 new jobs in the next decade.
- Ends the annual rate hikes and cost-shift caused by those without insurance seeking high-cost emergency room care when they're sick, rather than visiting a doctor for preventative care.
- Makes the first increase in the proven WWAMI program in over 20 years enabling more Montana students to attend medical school.
- Ensures that Montana taxpayer dollars aren't used to help residents of other states, while patients here don't see improved access to care and Montana doesn't create new jobs.

Good-Paying Jobs: Access Health Montana will create thousands of jobs and bring millions of dollars in new economic activity to Montana. Expanding access to quality care for 70,000 more Montanans by expanding Medicaid will create more than 5,000 jobs next year alone and nearly 13,000 jobs in the next decade.^[i]

Improving access: Access Health Montana will use federal funds to expand our Medicaid program, providing access to health care for nearly 70,000 more Montanans (at 138% of the federal poverty level, or \$31,809 for a family of four and \$15,415 for a single individual).

Uses Montana taxpayer dollars wisely: Medicaid expansion is federally funded, so if Montana doesn't expand its Medicaid program, then our tax dollars will be used to help patients in states like Arizona, Florida, Michigan, Nevada, New Jersey, New Mexico, North Dakota and Ohio – states where Republican Governors are leading the effort to expand Medicaid.

If the Montana legislature fails to act, Montana taxpayer dollars will be used to provide health care to the citizens of states thousands of miles away, while our rates will continue to go up year after year.

Ending the cost shift: For the tens of thousands of Montanans who don't have insurance, the Emergency Room has become a primary care facility, which pushes costs for everyone even higher. The fact is, subsidizing expensive ER care for the uninsured costs Montanans \$300 million a year. That makes no sense when there is a smarter, cheaper way to provide better care.

Access Health Montana will stabilize rates for those with insurance by ending the shift that occurs when the uninsured use the emergency room as a primary care facility, since those with health insurance are more likely to visit a doctor instead of a high-cost hospital ER.

Reform Health Care Delivery to Lower Costs: We must transform our health care delivery systems. We must deliver care in a more cost effective and coordinated manner than ever before. Access Health Montana will transform the delivery of care, improves patients' outcomes and contains costs through the creation of a Patient Centered Medical Home Program, guided by an advisory committee.

This approach centers on making real improvements in the patient's health, not on what tests the system can be billed for. It requires health care professionals to coordinate their efforts to provide comprehensive primary care, including prevention and disease management services.

Health care innovations that provide better access, better quality and contain costs will be sustained through the creation of a health trust account to be used by the legislature to improve the delivery of health care. The health trust would be funded by any money that comes to the state when a nonprofit health care entity converts to a for-profit company.

Health Care Workforce = Health Care Access for all Montanans:

- Access Health Montana strengthens the professional health care workforce by seeking \$200,000 in state funding to expand the medical residency program, increasing the number of physicians who can complete their residency requirements in Montana. The evidence shows that doctors stay and serve in places they train in. Montana has two areas that train physician residents, Billings and Missoula, and we hope to develop more opportunities in the future.
- Expands the WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) program by 10 slots, a 25 percent increase in the number of seats that allow Montana medical students to attend their first year of medical school in Montana, and then complete the following years in Washington. This program has been extremely successful in encouraging doctors to come back to our cities, towns and rural areas to practice, but there hasn't been an increase in the number of positions open to our students through WWAMI in over two decades. Access Health Montana seeks \$908,174 to fund this much needed increase.
- Health professionals need to continue to be supported for their work. Access Health Montana **increases provider rates** by 2 percent in each of the next two years.

Creates a Montana "Circuit Breaker": As Montana partners with the federal government in the expansion of access to care for our citizens, we will be accountable to Montanans if our partner no longer upholds its share of the costs. Access Health Montana includes a termination provision or "circuit breaker" that ends the expanded Medicaid services should the federal government fail to fund its share.

Montana Governor's Office February 27, 2013

^[i] An Estimate of the Economic Ramifications Attributable to the Potential Medicaid Expansion on the Montana Economy, Bureau of Business and Economic Research, University of Montana, January 2013