



OFFICE OF GOV. BILL RITTER, JR.
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GOV. RITTER ANNOUNCES 'BUILDING BLOCKS FOR HEALTH CARE REFORM' PACKAGE

Gov. Bill Ritter today announced a "Building Blocks for Health Care Reform" plan to contain costs, improve quality and expand the availability of care, with much of the focus on children's health and system-wide efficiencies.

"Our health-care system is fundamentally broken, and the flaws touch every person and every business in Colorado," Gov. Ritter said. "Costs are skyrocketing. The availability of quality care is limited. Too many people lack insurance, and our public and private health networks are too complicated for most people to navigate.

"We must find solutions that are uniquely Colorado, solutions that are ambitious and realistic, solutions we can afford," Gov. Ritter said. "We started this work together in 2007. We continue it today by announcing our 'Building Blocks to Health Care Reform' plan."

The plan calls for a \$25 million investment in Gov. Ritter's FY08-09 budget request for building-block strategies in several high-priority areas, including expanded children's health coverage, creation of a new Center for Improving Value in Health Care, greater efficiencies in public and private health care, and better transparency to assist consumers.

"These building blocks to health care reform represent new ideas for Colorado," Gov. Ritter said. "They represent a strengthening of existing efforts and they build on the work of the 208 Commission. They represent meaningful and significant progress. We know that reforming a broken health care system won't be easy. We know it won't happen with one bill or in one legislative session. But we must be persistent, we must aim for excellence and we must never be satisfied.

"My vision remains the same -- that high-quality, affordable health care is available to every Coloradan. We can help make this vision a reality by working together, by working with broad coalitions that include public and private partners, and by working with bipartisan leadership that puts our future first."

Highlights of Gov. Ritter's "Building Blocks to Health Care Reform" package:

Expanded Children's Health Care

Including gains made in 2007, the plan increases Child Health Plan *Plus* and Medicaid coverage to 55,000 more children over three years by:

- Expanding eligibility in CHP+ to families earning 225% of the Federal Poverty Level (225% of the FPL is \$48,000 per year for a family of four). The eligibility limit effective March 1 is 205%. Sen. Hagedorn and Rep. McGihon will sponsor this legislation.
- Expanding public outreach and awareness efforts for CHP+ and Medicaid.
- Eliminating bureaucratic hassles by centralizing eligibility determination for Medicaid and CHP+ and making the enrollment process easier for families. This will expand coverage to more families who are already eligible but not enrolled.

Ensuring the availability of doctors who will provide care to children in Medicaid by increasing reimbursement rates to 90 percent of Medicare for primary and preventive care and to 52 percent of commercial rates for dental care.

- Improving mental health benefits for children in CHP+ program by providing the same benefits as those provided through Medicaid.

Gov. Ritter's plan also provides *all children* in Medicaid and CHP+ a Medical Home to ensure access to primary and preventive care to keep them healthy, strong and out of expensive emergency rooms. In FY08-09, this will expand Medical Home coverage to 170,000 more kids.

Establishment of the Center for Improving Value in Health Care

The "Building Blocks to Health Care Reform" plan establishes an inter-disciplinary, multi-stakeholder center to identify and pursue strategies for quality improvement and cost containment. The center will be led by Joan Henneberry, executive director of the Colorado Department of Health Care Policy and Financing. It will bring consumers, businesses, health care providers, insurance companies and state agencies together to develop long-term strategies for ensuring a better value for the \$30 billion spent on health care in Colorado every year.

Improved Efficiencies in Private Health Insurance & Public Programs

The plan includes building blocks to improve efficiency in private and public health plans by:

- Standardizing health plan ID cards and require the use of magnetic strips on all cards to allow for electronic data exchange. This will make it easier for consumers and providers to interact with insurers. Sen. Mitchell and Rep. Gagliardi will sponsor this bill.

"Too much of our health care dollar goes to administration and paper work," Sen. Mitchell said. "Standardizing health plan ID cards should make things faster and easier for patients and doctors and help bring down costs."

- Investing in health information technology through the Colorado Regional Health Information Organization. This will improve the quality of care and address cost issues.
- Implementing disease management programs to deliver better health outcomes and to better control health care costs.
- Reducing fraud and abuse in Medicaid.

Increased Transparency

Gov. Ritter's plan calls for increased transparency by:

- Creating a web-based, consumer-friendly Report Card on Health Insurance Companies, with information about insurance companies so businesses and individuals shopping for health insurance can make informed decisions. Rep. Primavera will sponsor this bill.
- Helping consumers make better informed decisions about health insurance purchases by requiring brokers to disclose to consumers their compensation structure. Similar disclosure requirements are in place for real estate brokers and other sales professionals.

Expanded Access to Cost Effective, Quality Care

The Governor's reform plan calls for finding new strategies to expand care in rural and underserved communities by expanding the range of services nurses and dental hygienists can provide. An advisory committee of nurses, doctors, dentists and dental hygienists, to be chaired by Colorado Chief Medical Officer Dr. Ned Calonge, will be appointed to guide the study.

Other Health Care Building Block Initiatives Already Underway

- Support LiveWell Colorado, the major anti-obesity initiative at the Colo. Department of Public Health and Environment launched this fall with a \$16 million grant from Kaiser.
- Support school-based health centers that provide primary care services to children throughout Colorado (Department of Public Health and Environment Initiative).
- Continue support for community mental health services through a \$3 million investment increase (Gov. Ritter's FY08-09 budget request).
- Provide services to people with developmental disabilities through an increase of \$8.3 million (FY08-09 budget request).
- Fully fund the Colorado Immunization Information System. (FY08-09 budget request).
- Ensure health care consumers are compensated by insurance companies if the insurance company wrongfully denied a claim. (House Bill 1228, Green).
- Support families of children with birth defects by funding Colorado Responds to Children with Special Needs. (HB 1100, Gagliardi/Keller).
- Expand access to dental care for low-income seniors. (HB 1116, Gallegos/ Shaffer).
- Provide the Department of Health Care Policy and Financing with the budgeting flexibility to serve more children through CHP+. (Senate Bill 22, Sandoval/Ferrandino).