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**NEW REPORT: MASSACHUSETTS HEALTH REFORM IS
UNAFFORDABLE, UNSUSTAINABLE, UNACCEPTABLE**

*With exclusive reliance on private insurers and skyrocketing costs, report
finds Massachusetts reform is not a good model for the nation*

WASHINGTON – The Massachusetts health care reform plan resulted in nearly universal coverage but fails as a model for national health reform on a number of counts, according to [a new report](#) released today by the Institute for America's Future. The report by **Diane Archer**, co-director of the Institute for America's Future's health project, finds that the Massachusetts model fails to control costs or guarantee quality, affordable health care for all.

Massachusetts implemented new and innovative health care reform that provides subsidies for people earning under 300 percent of the federal poverty level, making health insurance more affordable to a wider pool of people.

In a conference call with reporters earlier today, Archer pointed out, “The reform has been very effective at increasing accessibility of insurance for Massachusetts residents, resulting in the lowest rate of uninsurance in the nation. But because the plan does not contain any mechanisms for reining in the rapidly increasing cost of health care, it has limited potential for long-term sustainability or application at the national level.”

The Massachusetts plan does not guarantee that everyone who is insured will be able to afford the health care they need. In addition, the major reduction of the Massachusetts uncompensated care pool, a byproduct of reform, means the uninsured remain vulnerable to the catastrophic costs of a sudden acute illness or accident. And because the Massachusetts plan offers private health care plans through a health insurance exchange that is stratified based on income, portability is limited and changes in employment status or income can result in the loss of coverage while enrollees switch plans.

Institute for America's Future co-director **Roger Hickey** said the report showed that “The Massachusetts plan continues to promote market domination by a small number of private insurers, which have contributed to spiraling health care costs. It offers no alternative, such as a public health insurance plan to drive competition, offset insurer market power and rein in costs.”

While Massachusetts continues to be a leader in providing affordable health care to its residents, using it as a model for national reform would not address many of the

significant issues facing our health care system. The public health insurance plan option proposed by President Obama and Senator Baucus, D-Mont., would compete with private insurance plans on a level playing field, control costs, provide guaranteed back-up coverage for anyone who needs it and set a benchmark for ensuring all Americans quality, affordable health care.

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****“*Massachusetts Health Reform: Near Universal Coverage, But No Cost Controls or Guarantee of Quality, Affordable Health Care for All*” is available at <http://ourfuture.org/healthcare/massachusetts>.****

BACKGROUND MATERIALS ON PUBLIC HEALTH INSURANCE

Jacob Hacker report, “The Case for Public Plan Choice in National Health Reform: Key to Cost Control and Quality Coverage”

http://institute.ourfuture.org/files/Jacob_Hacker_Public_Plan_Choice.pdf

Jacob Hacker report “Health Care for America” and the Lewin Group cost analysis: <http://www.sharedprosperity.org/topics-health-care.html>

Leaders and Experts Agree that a Public Insurance Option is Critical to the Success of Obama’s Health Reform Proposals:

http://institute.ourfuture.org/files/Public_plan_quotes_Obama_Baucus_others.pdf

A Public Health Insurance Plan: Reducing Costs and Improving Quality

Executive summary: http://institute.ourfuture.org/public_plan.

Full report:

http://www.ourfuture.org/files/IAF_A_Public_Health_Insurance_Plan_FINAL.pdf

HCAN public opinion polling

data: http://healthcareforamericanow.org/site/content/public_rejects_insurance_industrys_misleading_claims_new_poll_shows