



UNITED STATES *of* CARE

TO: Interested Parties

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SUBJECT: 2019 Potential State Policy Trends

United States of Care has spent the last six months listening and learning from health care leaders in states across the country. The team has visited four states and held conversations with more than 20. Momentum for meaningful action to address health care challenges continues to build at the state level, and United States of Care is working to identify and fill gaps to help states make progress.

State Policy Activity and Opportunities

Based on our outreach and on the ground learning, we believe state activity will be focused in the following areas:

Reactive market stabilization. Federal policy action (and inaction) is forcing states to confront a wide range of challenges in their individual insurance markets. The repeal of the individual mandate, creation of Association Health Plans, the expansion of short-term limited duration plans, continued legal challenges to the Affordable Care Act and other uncertainty, combined with Congress' failure to pass market stabilization legislation, are forcing states to take action on their own.

- Four states (Vermont, DC, New Jersey, Massachusetts) have established their own individual mandates.
- Seven states have approved (Minnesota, Alaska, Oregon, Maine, Wisconsin) or pending (Maryland, New Jersey) 1332 innovation waivers to establish their own reinsurance programs.
- [Several states](#) have pursued legislative or regulatory action to strengthen consumer protections in response to the loosening of federal restrictions on short-term plans, including Maryland, Hawaii, Vermont, Washington, Illinois, and California.

Momentum for Medicaid expansion. [Thirty-four states](#), including DC, have now expanded Medicaid, with Virginia as the latest addition. [Evidence](#) continues to mount that Medicaid expansion increases coverage and access to care while reducing uncompensated care costs.

- People are driving action in states in which elected officials have not supported expansion, with four traditionally red states -- Nebraska, Idaho, Utah, and Montana¹-- in various stages of pursuing Medicaid expansion ballot initiatives.
- Polling suggests widespread support. For example, two-thirds of Utah voters are [supportive](#) of Medicaid expansion.

Addressing prescription drug costs. States are not waiting for Congress or federal officials to take action to address concerns about prescription drug costs. During this year's state legislative sessions, 42 states (84 percent) introduced 163 separate [bills](#) to address drug prices in some way. States are making real progress, even in places with divided government.

- Nevada enacted a [law](#) in 2017 to bring greater transparency to insulin pricing.
- Vermont passed [legislation](#) to create a program for wholesale importation of prescription drugs from Canada.
- [Eighteen states](#) (including red and blue states) enacted laws to address the role of Pharmaceutical Benefit Managers (PBMs), including laws to ensure that pharmacists are able to inform patients when paying cash for a prescription will cost them less.

Exploring buy-ins to promote competition and control costs. [Many states](#) are exploring innovative new approaches to give consumers more health care coverage choices.

- Legislatures in New Mexico and Delaware passed resolutions to formally study the creation of Medicaid buy-in programs.
- Buy-in legislation has been introduced in 12 states, including legislation to create a Basic Health Plan buy-in in Minnesota.
- Advocates in New Jersey are working with executive and legislative leadership in the state to create a CHIP buy-in program as a part of a [broader initiative](#) to cover all New Jersey children.

Promoting health equity by addressing non-medical drivers of health. Health care stakeholders, along with state and local leaders, are recognizing that health outcomes are determined not just by the care a patient receives, but by their access to food, housing, transportation and other services. States and communities are deploying a wide range of strategies to create equal opportunities for health, and examples from our outreach and learning include:

- **North Carolina:** As part of a broader transformation of its Medicaid program, the state of North Carolina is implementing a multi-payor screening tool for unmet social need, and working with the Foundation for Health Leadership & Innovation to create a [state-wide platform for resource referral](#). In addition, the state has requested waiver authority from the federal government to develop public-private regional pilot programs that would employ evidence-based interventions for specific needs (housing, transportation, food, and interpersonal violence) with the potential to improve beneficiaries' health while lowering costs.
- **Minnesota:** Although the state of Minnesota ranks high on state wide measures of health, [disparities persist](#) between racial, ethnic, and socio-economic groups. Local health systems and entities are leading efforts to reduce those differences and improve care. As part of our ongoing listening and engagement, United States of Care is convening key Minnesota stakeholders to discuss opportunities for better collaboration to address these issues.

¹ The ballot initiative in Montana would continue the state's existing Medicaid expansion, which is scheduled to expire in 2019, and increase the state's tobacco tax to generate the necessary revenue.

State health care work groups: In addition to the state efforts to specifically study Medicaid Buy-in, several state legislatures have convened dedicated workgroups or special committees to study health care policy options. For example:

- **Oregon** has convened the [Universal Access to Healthcare Workgroup](#), focused on substantive study of policies to improve access to care.
- **Maine's** legislature has also formed a bipartisan and multi-stakeholder [task force](#) to explore paths toward universal, affordable health care in the state. The task force is considering a broad range of proposals, such as creation of a public option, actions to stabilize the individual market, and ideas to control costs, including through lowering drug prices and implementing global budgeting for hospitals.

As part of our on the ground learning, United States of Care has identified gaps in states' ability to develop and advance policies in line with our mission, and is developing a strategy to fill those gaps. Important state challenges include:

- **Limited time:** Many state legislatures meet for a short period of time compared to Congress. 41 states have part-time legislatures, and 60 percent adjourn by May, which means that policy development and refinement and building necessary stakeholder support need to happen quickly.
- **Limited access to expertise:** Smaller states, particularly those with part-time legislatures, may not have full time staff or access to policy expertise. Part-time legislators have to master many issues and many don't always have the capacity to delve into the complexities of health care policy.
- **Coalition building:** Part-time legislators and staff often don't have the time, experience, or resources to manage stakeholder relations to get the buy-in needed broad political support.

United States of Care is filling these gaps by:

- Providing expertise in building and managing broad stakeholder networks.
- Connecting state leaders with US of Care Founder's Council members and other "blue-chip" experts from across the country to help provide strategic advice and technical expertise.
- Launching a 2018 candidate education pilot in our home state of Minnesota, which will help legislators build health care policy knowledge before they enter elected office.
- Developing a "playbook" for states to use as they dive into health reform initiatives.