



Expanding Health Insurance Coverage in Montana

Patrick M. Barkey
Bureau of Business and Economic Research

Reducing the Number of Uninsured

- What has been proposed?
- What are the challenges to increasing insurance coverage?
- Where are we in Montana?



Elements of the Obama Plan

1. National Health Insurance Exchange
2. Tax credits for low-income individuals
3. Small Business Tax Credit
4. Pay-or-play for large employers
5. Mandates for kids, not for adults



National Health Insurance Exchange

- A “managed competition” framework
- Insurers offer policies that meet certain requirements and must accept anyone
- Examples:
 - Massachusetts “Connector”
 - Medicare Part D
- Includes a new National Health Plan

Challenges to Increasing Coverage

- Can the private sector really compete with the Federal government?
- Penalties and incentives
- Why people talk about mandates
- Crowding out
- Cost



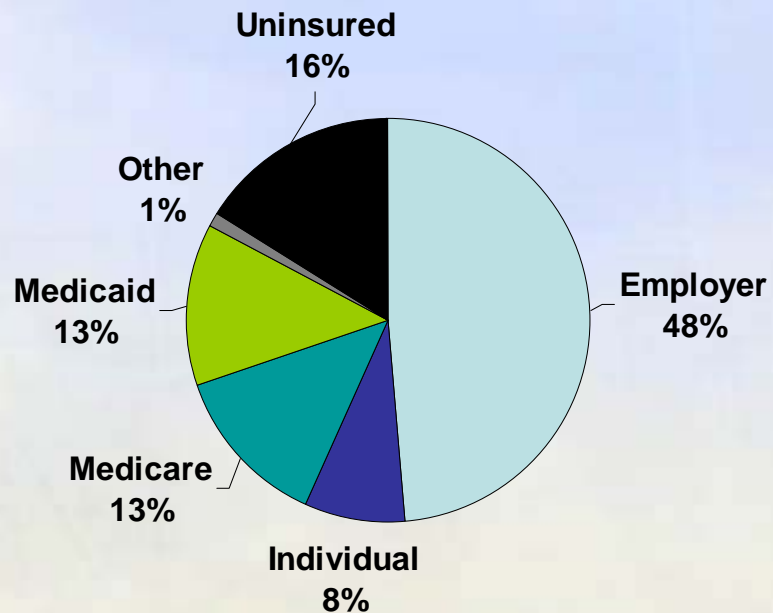
Crowding Out – A Real Problem

- NBER Study tracked eligibility changes and program enrollments for seven years
- Data suggest that crowd out rates range from 47 to 92 percent
- Provisions to minimize crowd out were ineffective

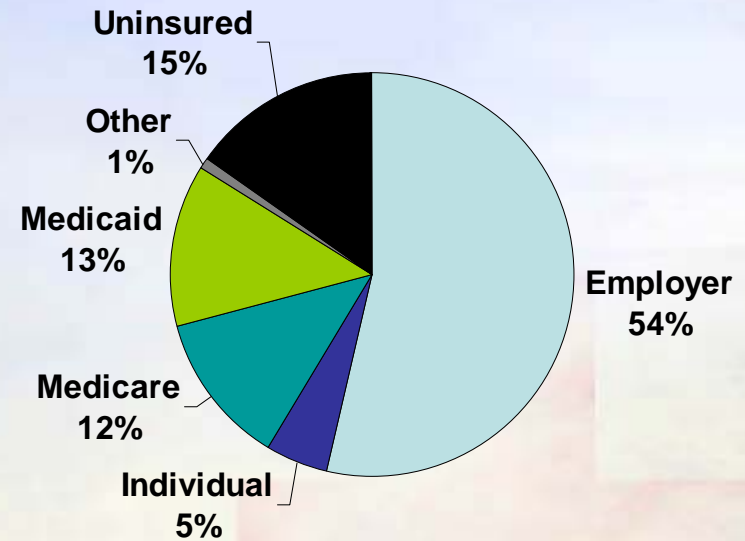


Montana's Insurance Status

Montana

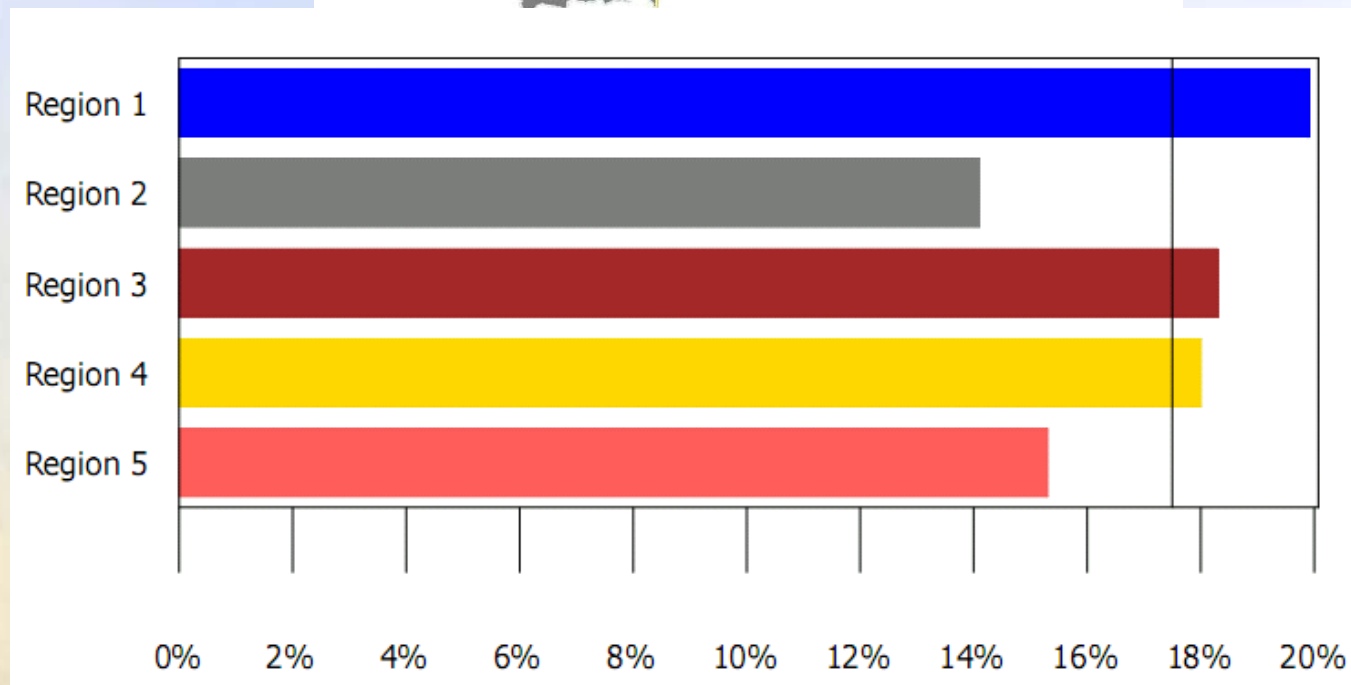
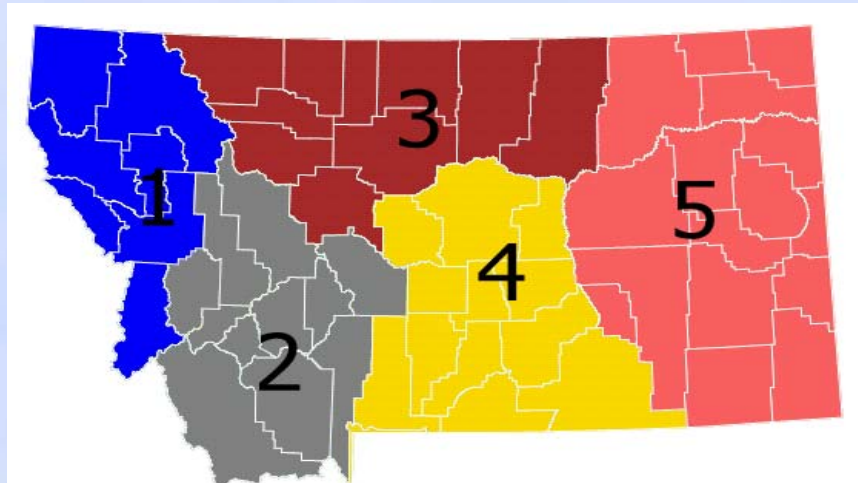


United States



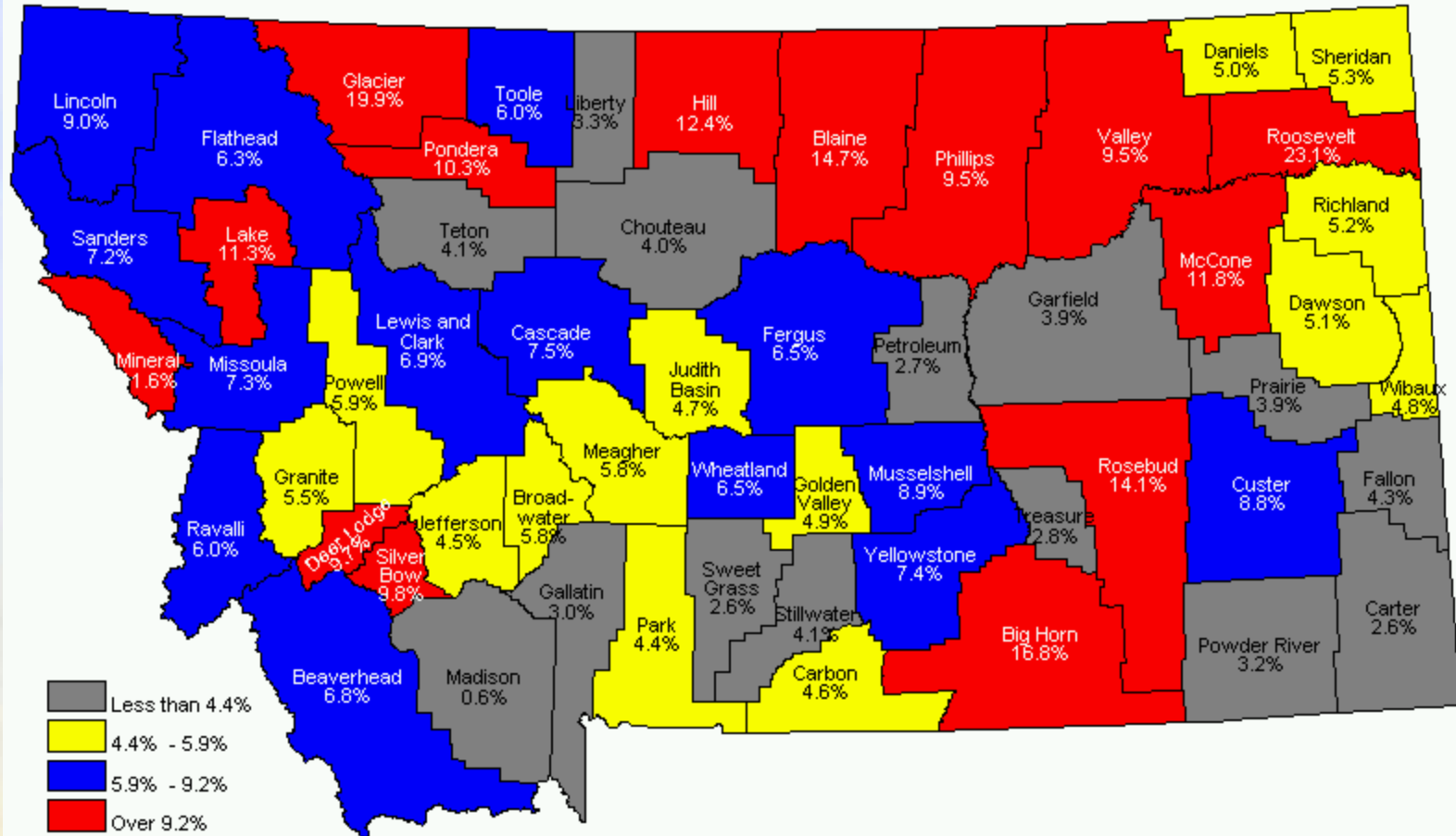
Source: U.S. Current Population Survey, 2007-08

Percent of Adult Population With No Insurance by Labor Market Region, 2008



Source: Bureau of Business and Economic Research

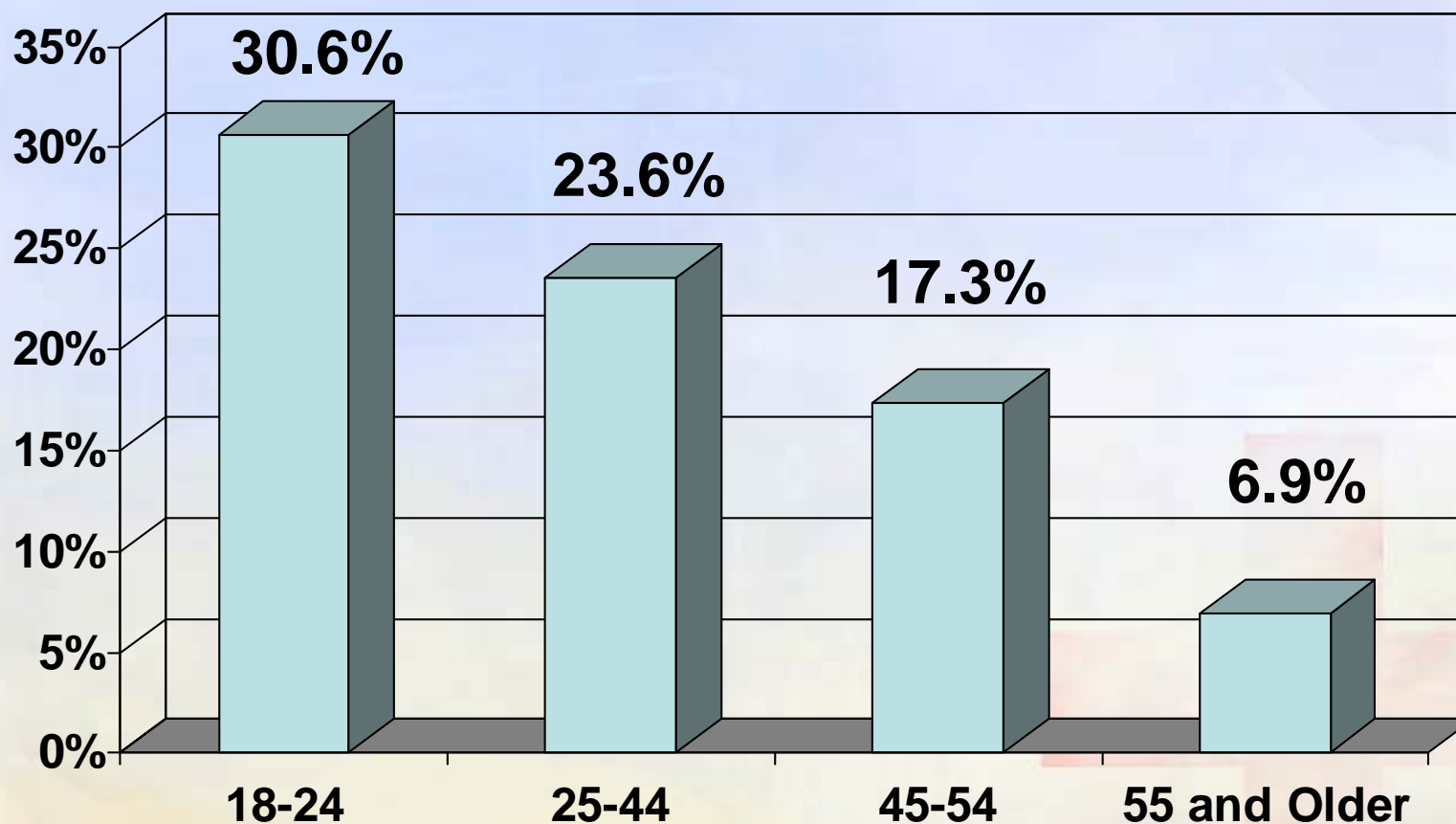
Percent of Population Receiving Medicaid by County, FY 2008



Source: Montana Dept. of Health and Human Services

Who are Montana's Uninsured?

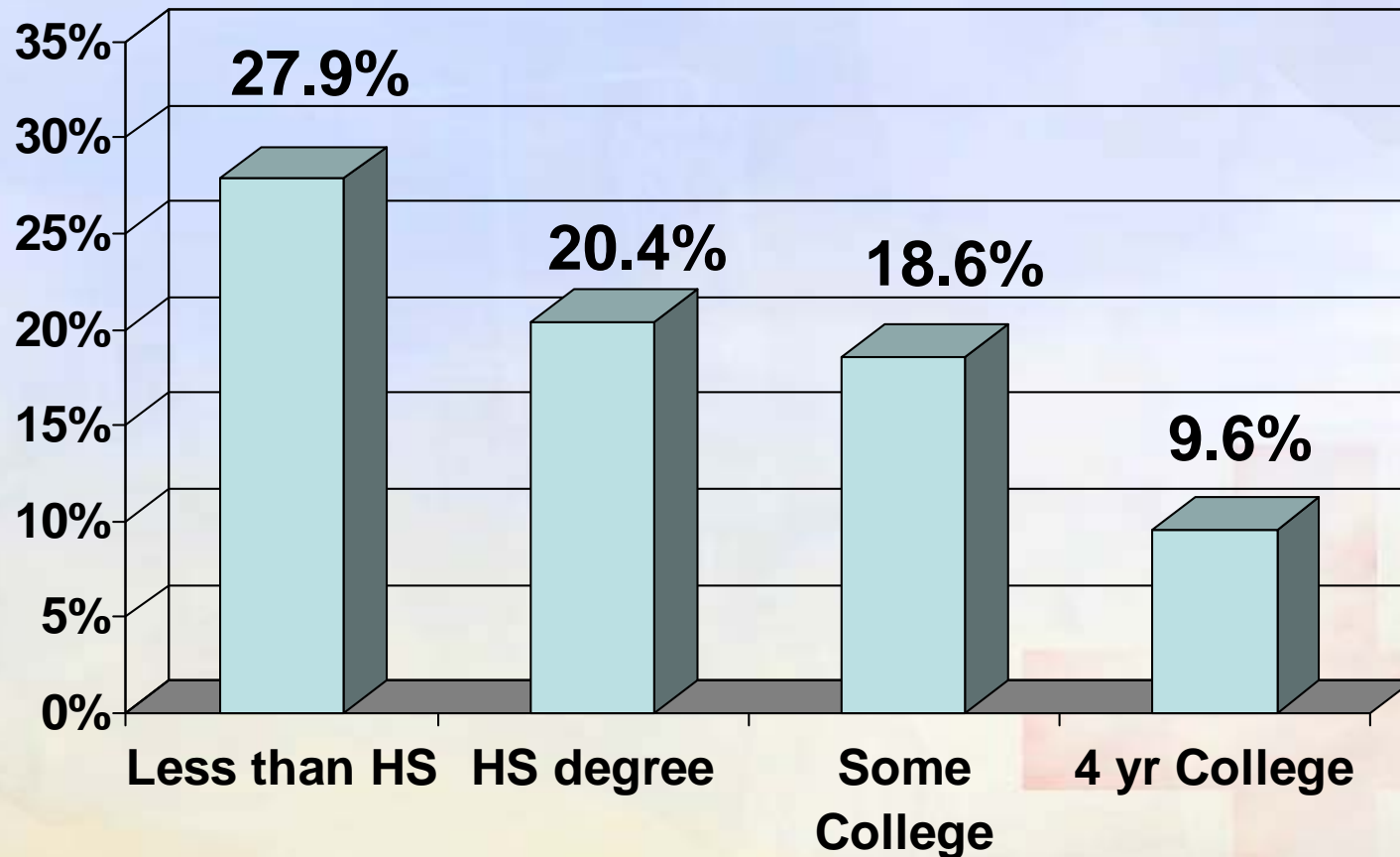
Uninsured Percentage by Age, 2008



Source: Bureau of Business and Economic Research

Who are Montana's Uninsured?

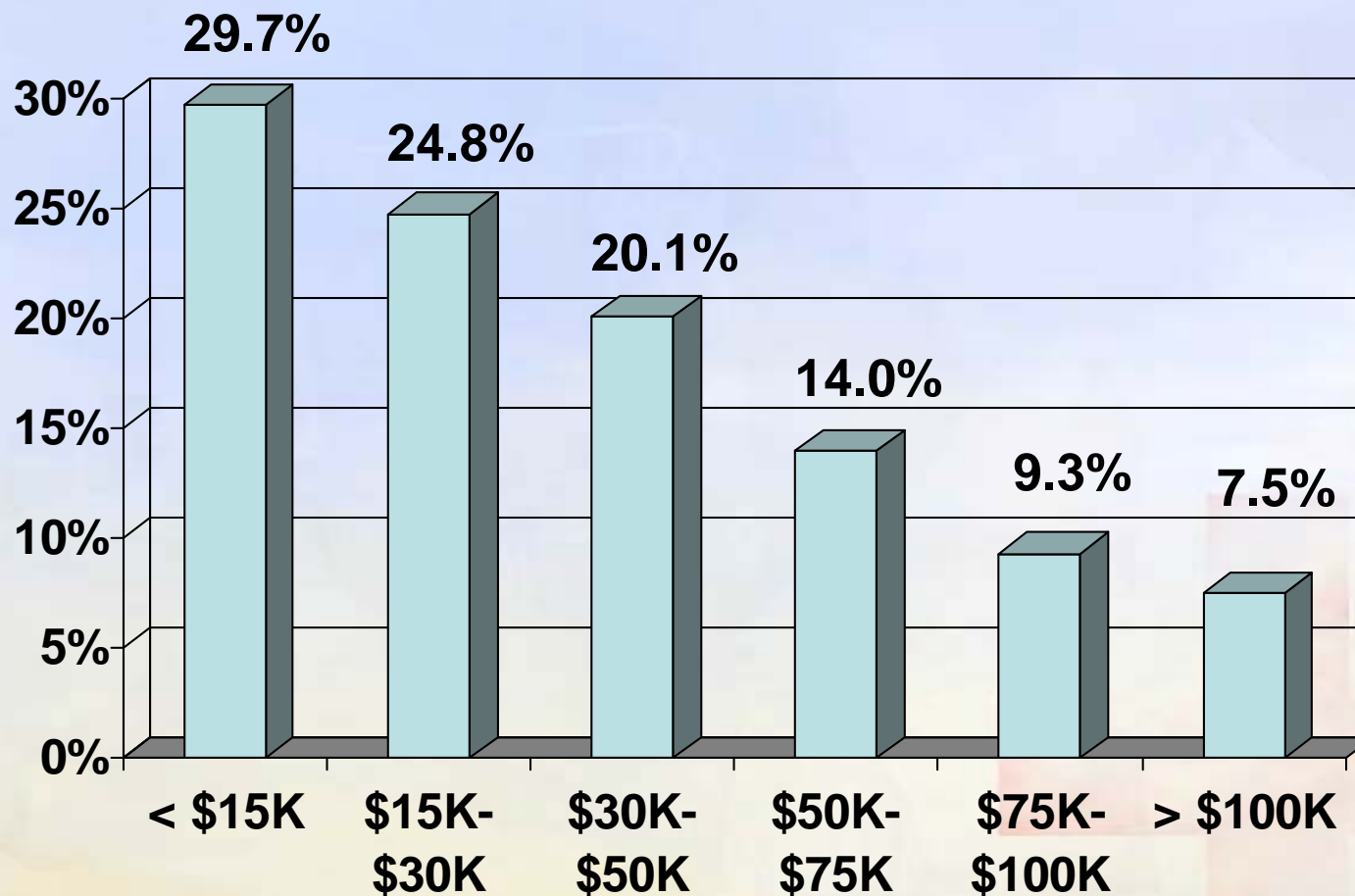
Uninsured Percentage by Education, 2008



Source: Bureau of Business and Economic Research

Who are Montana's Uninsured?

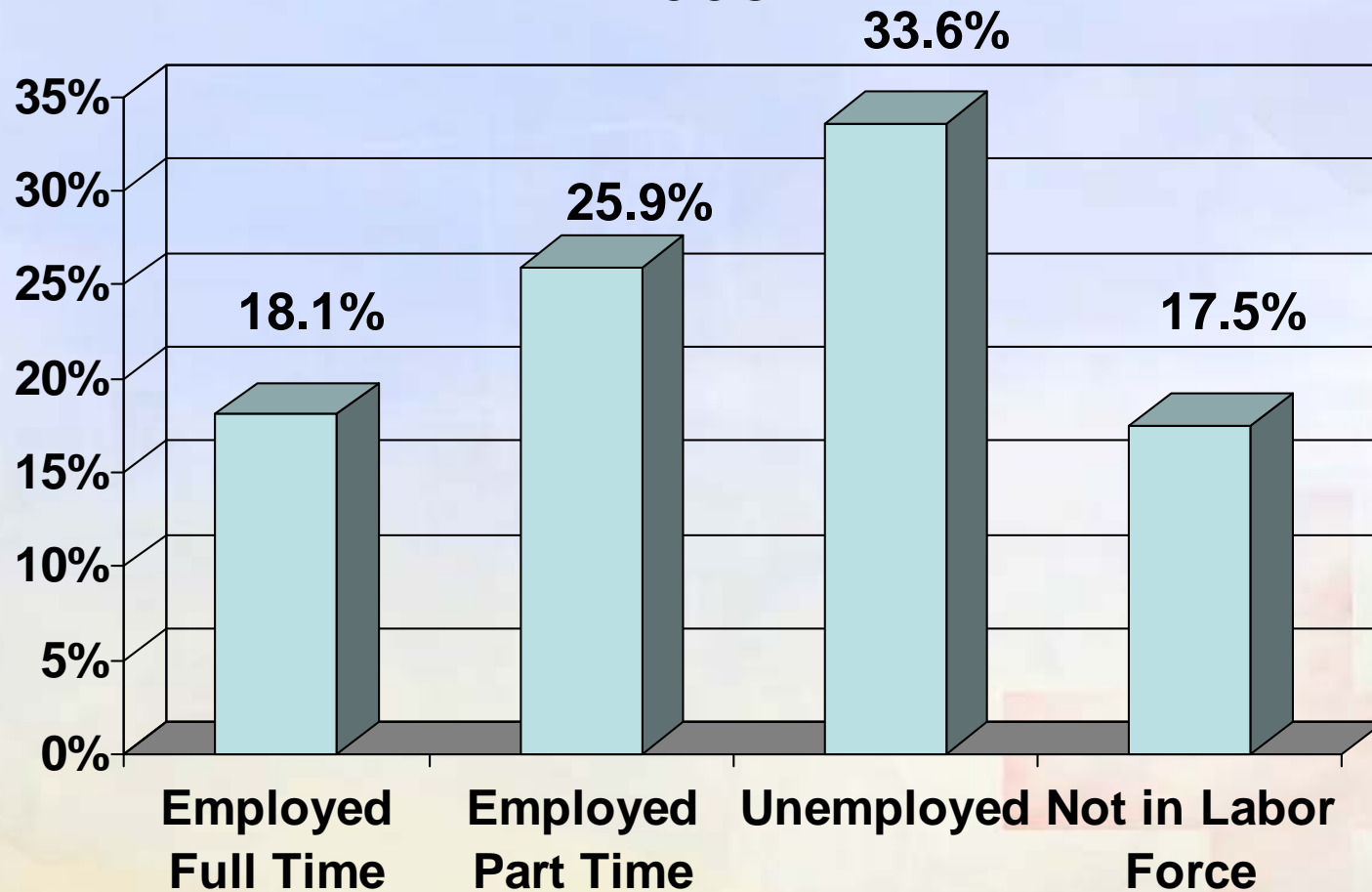
Uninsured Percentage by Income, 2008



Source: Bureau of Business and Economic Research

Who are Montana's Uninsured?

Uninsured Percentage by Employment Status, 2008



Source: Bureau of Business and Economic Research

Decision Time for Health Care Policy

- Spotlight has shifted to Washington
- Budget pressures may delay full overhaul of health care until 2010
- Policy emphasis will be on increasing coverage rates
- Heads are still in the sand regarding costs

Questions?

