



MASSACHUSETTS BUSINESS ROUNDTABLE

**Division of Health Care Finance and Policy
Public Hearing – August 22, 2007**

Statement on behalf of the Massachusetts Business Roundtable regarding proposed regulations governing the Health Safety Net Trust Fund, 114.6 CMR 13.00 and 114.6 CMR 14.00

The Massachusetts Business Roundtable (MBR) thanks the Division for this opportunity to provide comment in support of the proposed regulations governing the Health Safety Net Trust Fund. Reforming the Uncompensated Care Pool has been a significant motivating factor in MBR's participation in the deliberations which led to the passage of Chapter 58 of the Acts of 2006, the Health Care Reform Law. The proposed regulations are an important and necessary step in achieving that reform.

MBR's Health Care Task Force believes in the new law and is working diligently on its implementation. The basic tenets of the law are consistent with a report MBR released last year entitled "Solutions for Massachusetts Health Care: 2006," which calls for the expansion of health care transparency and financial incentives for consumers and providers to serve as "unifying themes" for collaboration on health care reform. We believe that this approach could move the healthcare system towards a 'tipping point' where information exchange vastly improves, consumers make more responsible choices, and providers improve quality and efficiency.

The Uncompensated Care Pool has been a unique program that is credited with helping to establish one of the nation's most comprehensive series of health care safety net programs. Yet, it has also been a source of ongoing controversy because of the unequal distribution of costs and funding across hospitals. Although the original intent of the Pool was to protect hospitals from losses due to uncompensated care, it has helped create an environment where low income uninsured residents have free access to high quality health services.

With the changes made by Chapter 58, particularly the requirement that all residents must have health insurance, the original intent of the Pool has been altered and must be updated. MBR agrees with the Massachusetts Association of Health Plans that the proposed regulations "strike the appropriate balance between protecting consumers and providers and facilitating the key component of the Massachusetts Health Reform Law, which was the transition of individuals and funding away from episodic and emergency care to health insurance coverage."

MBR thanks the Division for developing these regulations. We are pleased to serve as a resource to you as we work together to implement the next phases of Health Reform.