

Rep. Tangretti Remarks

Health and Welfare Council of Westmoreland

County, Feb. 4, 1944

(Usual Greetings and Acknowledgements)

I want to thank you for affording me this honor and opportunity to address the Health and Welfare Council of Westmoreland County.

I feel very much at home here and a part of your gathering because I believe our professional interests and career paths have much in common.

We would not be in our respective lines of work if we did not care deeply about the

needs and problems of other people and especially those who are in greatest need of our advocacy and our assistance.

It may not be fashionable today to speak in these terms..today when the airwaves are dominated by talk show hosts extolling the virtues of selfishness...by high level officials proclaiming there is no health crisis in America...and by corporate interests crippling the livelihoods of many thousands in the name of "downsizing" and corporate efficiency.

But whether it's in or out of fashion, people of your dedication and calling will continue to offer a helping hand, perhaps

because we see in the difficulties of others something of our own struggles and vulnerabilities.

And because we sense that, but for the breaks we've received, we or someone close to us could be in the same difficult position.

"But for the grace of God"

That's certainly a driving consideration in the current debate over health care reform -- the knowledge that with one bad break, losing one's job, a person will lose access to regular and adequate^{high} health care for themselves and their families. That could be me; it could be you.

That's why President Clinton was right to insist on a health reform bill that offers universal coverage or he would veto it until the Congress got it right.

We assure ourselves of access & portability

Having sat through dozens of meetings of the Health and Welfare Committee on this issue, it's my conviction that universal coverage must be the cornerstone of any health care plan the state adopts ~~as well~~...or it will be no reform at all.

Two approaches - Managed competition or Single Payer

access & portability & cost control

Key process Gov's. Similar to Clinton's Networks compete Overseeing Comm.

While the discussion over broad health care reform goes on, we've made significant progress in the past year toward providing improved health protection for Pennsylvania's

FTE Pay - individual 10% - partime. 45% flexible for MA Small Business help ASS. unemployed assistance

When will it get done

children.

Largely through the efforts of Rep. Allen Kukovich...and I'm not hesitant to say I co-sponsored and supported the plan...we passed the Children's Health Initiative for Pennsylvania.

CHIP, as it's called, went into effect just this summer to provide children from low-income families with free or reduced cost health care from birth to age 13.

CHIP benefits, which are funded by 2 cents of the tax on a pack of cigarettes, include checkups and immunizations, doctor visits, preventive care, dental and vision care,

prescriptions with a co-payment and up to 90 days hospitalization.

Now, this is a tremendous and especially timely advance in health care because of the job losses and underemployment our state is experiencing.

And you should also know, the income qualifications are fairly broad such that a family of five with an income of \$31,000 could qualify for free care and a similar size family with an income of \$39,000 could still qualify for health care at a reduced cost.

We need to publicize this program, and many of you are in a position to spread the

word.

If you need literature, or information, or application forms for the CHIP program, I'll be glad to supply them.

Legislative proposals such as CHIP and other health and welfare related proposals can clearly benefit from the input of organizations such as yours.

And your executive director, Mr. Wagner, has asked me to talk about how that can be accomplished.

I'll certainly be glad to do what I can to keep your organization and its members informed of the Health and Welfare

what
Committee's activities and the legislation the
committee is considering.

In fact, I'd be happy to establish a regular
schedule of meetings with you for that purpose
if that is something you feel you would want to
arrange.

*OR hearings -
Tay's Request*

Promoting the health and welfare of its
citizens is, and should be, a fundamental
~~OR~~
responsibility of government.

Both of these activities account for a
considerable share of the Commonwealth's
annual expenditures.

*MA - 500-600 M
connections*

As a member of the Health and Welfare
Committee as well as the Appropriations

Committee...and the Insurance Committee to which I was just appointed... I would certainly benefit from the knowledge that regular exchanges of information with you could provide.

It would help me to do my job better and perhaps help us all in our mutual desire to offer encouragement and assistance to those who need it most.

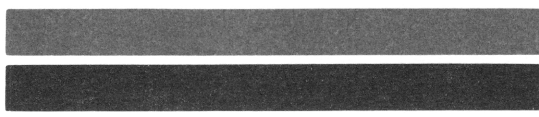
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JAN 27 1994



January 20, 1994

The Honorable Thomas Tangretti
Pennsylvania House of Representatives
Room 26B, East Wing
P.O. Box 75
Harrisburg, PA 17120-0028



Representative Tangretti:

On behalf of Geisinger Health Plan, I would like to express our opposition to House Bill 1745. House Bill 1745 would place additional and unnecessary regulatory burdens on HMOs in the delivery of chemical dependency services.

HMOs and other managed care plans (including Blue Cross/Blue Shield, commercial insurance, and the ERISA plans that are exempt from state laws) successfully utilize mixed models of substance abuse treatment services, including inpatient and outpatient programs. The strength of our efforts lies in the ability to develop individual treatment programs aimed at providing the member with the ability to not only cope but learn to live with the chronic disease of addiction. House Bill 1745, as proposed by the Drug and Alcohol Service Providers of Pennsylvania ("DASPOP"), seeks to restrict this ability and increase the number of substance abuse patients placed inappropriately in 28-day rehabilitation facilities. This is not medically sound and will contribute to the escalation of health care costs.

Certain provisions of H.B. 1745 are not objectionable, including the requirement that "ASAM", Cleveland Clinic or other nationally accepted criteria are used in all drug and alcohol assessments, and that those criteria be filed with the Health Department and provided to any member upon request. Providers of substance abuse services should likewise be required to adhere to such criteria in admitting and treating patients.

House Bill 1745 does, however, contain such unreasonable restrictions as:

- Burdening HMO members with following a separate grievance process, rather than the familiar state approved process for all other conditions;
- Requiring the HMO to cover the costs of non-emergency, out-of-network detoxifications, when services could be provided in the network;
- Requiring the HMO to make all decisions for coverage within a 48-hour period regardless of severity;
- Mandating that HMOs develop and submit to the Health Department a "plan" for substance abuse treatment;
- Effectively invalidating benefit contracts by mandating coverage whenever there is a "problem with the legal system."

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- Mandating that an HMO ignore patients' needs and changing conditions until the mandated minimum lengths of stay have been satisfied;
- Requiring the Health Department to establish standards for HMO subscriber forms, benefit handbooks and other materials as well as subscriber recruitment practices, thus duplicating functions already performed by the Insurance Department; and,
- Establishing a filing fee for HMOs to support this duplication Health Department promulgation of standards for marketing and other materials.

Implementation of these provisions would prove costly and would duplicate regulations currently in place. As we consider managed care solutions to health care reform at both the state and federal levels, it makes no sense to tie the hands of HMOs and prohibit them from being able to provide high quality, cost effective care to members.

Finally, House Bill 1745 imposes these burdens only on HMO's, and not on other managed care plans. Yet an increasing number of Pennsylvanians received chemical dependency covered through other forms of managed care.

On behalf of our 160,000 members from 25 Pennsylvania counties, I ask that you oppose House Bill 1745. I can be contacted directly at 717-271-6836 with any questions you may have.

Sincerely,



William A. MacBain
Senior Vice President,
Health Plans Operations

WAM:eem

cc: Andrea Scharf, Executive Director - Managed Care Association of Pennsylvania