



Health Care

2007-2008 Key Issue Overview (page 1 of 2)

Currently, a majority of Ohioans receive their health insurance through their employer, making health care an issue about which nearly every business needs to be concerned. With monthly premiums continuing to rise, businesses in Ohio find themselves at a competitive disadvantage in today's global economy. Maintaining a healthy and dependable workforce is necessary for a business to succeed - but employers need relief. At the end of the day, health care costs take away from a business owner's bottom line.

The situation must improve – and the business community needs to be part of the solution. The Chamber Action Alliance will focus on reducing costs and improving access to quality health care as a key issue for 2007-2008. By staying informed and ready to take action, we can make a difference.

Chamber Agenda: *Where We Stand*

- ▶ Continue to push for a free market health care system that provides affordable coverage options for employers and quality care for employees.
- ▶ Support initiatives that help expand the use of health savings accounts & other consumer directed products.
- ▶ Be cautious of government mandated health care benefits that increase the cost of insurance.
- ▶ Advocate for greater transparency and accessibility to information so consumers can better evaluate cost, quality, and access issues.
- ▶ Support incentives for employers who institute wellness programs for their employees.



CHAMBER ACTION ALLIANCE

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What to Expect: *Looking Ahead through 2007-2008*

The problems with our current health care system are well known, but the solutions are not so clear. Since the health care crisis is a national problem, many changes are expected to come at the federal level. However, Ohio's policymakers are hoping to play a role as well. Members of the General Assembly and Governor Ted Strickland have each expressed their determination to address Ohio's health care woes. Both agree that expanding access to health insurance and increasing affordability are the two central themes for health care reform. However, philosophical differences between the Governor and the Legislature are likely to produce significantly different proposals.

Governor Ted Strickland

To increase access to health insurance, the governor supports increasing the number of individuals who are eligible to participate in the state's Medicaid program. The Governor made an attempt to raise the income eligibility requirements for an individual to buy into the state-run Medicaid plan, but it was defeated by the Legislature. This type of proposal would no doubt expand coverage, but at what cost? The business community needs to be concerned, since an increase in Medicaid eligibility means there will be fewer insured workers in the private market. That could potentially spell bad news for employers, since fewer insured workers in the current system would likely bring higher premiums for businesses providing health care. By giving government a larger role to play in Ohio's health care system, it could pave the way for universal government-run health care system.

The Ohio General Assembly

Proposals from the Legislature will also center on access and affordability issues, but are unlikely to be supportive of expanding individual coverage through Medicaid. Instead, one likely proposal from the Legislature may include incentives to encourage employers currently not providing health care insurance for their employees to do so.

Another possibility is the creation of a state-wide high-risk pool. This could entail removing high-risk employees from the current pool of insured workers, thereby reducing the premium rates currently paid by their employers. However, some questions remain unanswered. For example, it's still uncertain where the funding will come from to create the high-risk pool. Also, the size and scope of a potential high-risk pool has yet to be determined. Employers need to be ready to examine any proposals from the legislature to ensure that changes will be beneficial to business.

The Business Community

We know there will be several different proposals aimed at improving health care access and affordability. And because of what's at stake, employers need to be more prepared than ever to listen and react. Health care costs have a direct impact on the bottom line, and employers cannot afford to simply wait on the sidelines.

The Chamber Action Alliance will keep you updated as these health care issues develop, and let you know when the time is right for the business community to voice their opinions to state officials. For more information on health care in Ohio or the role business needs to play, please contact Carrie Haughawout, Director, Ohio Small Business Council at 614-228-4201.



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