

Maine insurers, hospitals, pols agree on health plan

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by Francis X. Quinn
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AUGUSTA — Gov. John Baldacci and a broad spectrum of other negotiators said the framework of a compromise they have committed to on health care reform holds promise of curbing health care costs while expanding insurance coverage.

Detailed language must still be worked out by a special legislative panel.

But a tentative accord with representatives of the major insurance companies in Maine, the state's hospitals and the medical establishment envisions largely voluntary steps to move the state incrementally toward universal access to health care.

The plan still calls for a four percent assessment on health insurers that would help pay for insurance coverage for people currently without it.

Baldacci administration officials say insurers would be able to pass along the increase only as a last resort, and that insurers would have to prove any increases in premiums are justified.

Agreement on a financing plan for subsidized health coverage, which the administration says could reduce the number of uninsured people in Maine by more than 50,000 in a year, was described as a key breakthrough.

Just how the potential for a pass-through of such an assessment would be treated under a revised plan, however, is likely to be closely scrutinized.

At his news conference, Baldacci was insistent.

"There is no automatic pass-through," he asserted.

At the same time, speaking of the entire package in general, he also said: "It's not final. It's not over. We've got work to do."

Under the tentative agreement, hospitals would face voluntary caps on cost increases.

"It's a balanced approach. ... It is substantial cost containment," said Steven Michaud of the Maine Hospital Association.

In related action last week, Baldacci outlined a new prescription drug benefit plan that he said would fit with his Dirigo Health package.

Administration officials said the new initiative — Maine Rx Plus — could benefit about 275,000 Mainers.

Under the plan, people eligible for Maine R-x Plus — with incomes of up to about 31,400 for individuals and 64,400 for a family of four — would be able to purchase certain drugs at the same price paid by the state Medicaid program, known as MaineCare.

The state would also be authorized to seek further discounts by entering into rebate agreements with drug manufacturers.

Maine's Rx plan seeks to use Medicaid program to leverage bulk discounts from drug makers. In a 6-3 ruling earlier this month, the U.S. Supreme Court said drug makers did not adequately show why the plan should be blocked. □