



Donna KEEL

for State Representative District 47

On Health Care

It is vital that Texas address not only the health care needs of the poor but also the working middle class and small businesses that can't afford insurance. Nearly 25% of Texans are uninsured, with families making more than \$75K one of the fastest rising groups. Reducing the cost of insurance will make it more affordable for more people, ultimately reducing Texas' uninsured rate.

Access—Texas has made tremendous progress in increasing the number of doctors in our state. Because of recent tort reform limiting medical malpractice claims to \$750,000, over 9,000 doctors have relocated to Texas. Many rural areas that were previously underserved now have a variety of specialists. Recent surveys show that the majority of citizens aren't nearly as concerned about access to medical care as they are about the cost.

Tort reform has helped reduce frivolous medical malpractice lawsuits and, as a result, many doctors have seen significantly reduced insurance premiums. Now, it is time to address the cost side of the problem.

Cost— There are two factors that contribute to the high cost of health care that can be responsibly addressed by the legislature: the lack of price transparency and excessive state mandates.

Cosmetic surgery is one of the few medical services where costs are declining. Why? Cosmetic surgery is paid for out-of-pocket and the prices are transparent. Everything else being equal, consumers will usually choose the lower cost provider. Patients are entitled to know the cost of all procedures, in order to make informed decisions, make comparisons and be protected from double-billing and other fraudulent procedures.

What needs to be done?

- Price Transparency so patients know the cost of procedures upfront and make informed decisions and comparisons
- Electronic medical records so hospitals can access medical history before treatment.
- Reduce mandated coverage especially for items not essential to ones health and allow consumers to make informed choices about the policies they purchase.
- Empower small businesses to purchase insurance at group rates by organizing under a Chamber of Commerce or other group.

In addition, state-mandated levels of coverage are another driving force behind the high cost of health insurance. Full coverage policies should certainly be available to those who wish to purchase them but less extensive coverage should also be available for those who prefer. Should a single young male be required to purchase a policy including OB and immunizations when he clearly doesn't need them? Texas currently has 55 mandates, including required purchases for non-essential items such as in vitro fertilization and marriage therapy.

Many activists would like you to believe that these mandates cut into insurance company profits. Of course, insurance companies pass these costs on to the consumers. These businesses maintain a profit margin of approximately 4%. If their expenses increase 10%, your premiums will rise by 10.4%.

A better description of mandates would be compulsory purchases. Texas' 55 mandates are estimated to have increased the cost of insurance by as much as 50%, with in vitro fertilization alone increasing premiums by 10%. A policy for a 25-year-old male that would cost \$78 in Alabama (19 mandates) is \$249 in Texas. As a result, one in four uninsured Texans has been priced out.

Quality—In emergency situations, time is critical. If a patient arrives at a hospital unconscious, doctors have no way of learning the patient's medical history. The development of a confidential electronic medical records database would allow doctors to access medical history quickly, saving valuable time and lives.