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December 2010

An Open Letter to our Members and Stakeholders:

We have passed some important milestones in the implementation of the federal health care reform law that was enacted last March. I would like to share some information with you about a few of these milestones and what lies ahead. Many have expressed strong feelings – pro and con – about this law during the past few months. Our perspective at Rocky Mountain Health Plans (Rocky Mountain) is neither partisan nor ideological. We simply assess: *how will health care reform affect our Members?*

Expanded access to health care

A core commitment of Rocky Mountain is to make access to health care available for everyone in the community. We know the more people who have the right health coverage, the more we can promote preventive care and manage chronic conditions to improve the health of our Members, which lower costs for everyone in the communities we serve. In addition, the more people that have coverage, fewer expenses are shifted to the rest of us.

Congress chose to expand coverage by providing new options to people who had health problems, sometimes referred to as “preexisting conditions.” One of the ways the new law helps provide expanded access is by establishing new insurance plans just for people with preexisting conditions. Another way access was expanded was by ensuring that children could join a health plan, regardless of their health status.

GettingUSCovered provides access to care to those previously denied insurance

Rocky Mountain was selected by Governor Bill Ritter and the Department of Health and Human Services (HHS) Secretary Kathleen Sebelius to administer the federal high risk pool for Colorado, called GettingUSCovered. We are working closely with CoverColorado (the state high risk pool, which we also administer). GettingUSCovered was launched on September 1, 2010 and is already covering hundreds of Coloradans who would otherwise be uninsured. This means better care for them and lower long-term costs for all of us. For more information about this plan, visit gettinguscovered.org.

Rocky Mountain Health Plans Covers Children

Fulfilling our commitment to make access to health care available for everyone in the community, Rocky Mountain stands out as the only state-wide health plan to continuously offer individual health plans to children in 2010. The new law required that all children have access to insurance even if they have preexisting medical conditions. In response, all national, for-profit health plans in Colorado simply stopped offering individual plans for children.

We at Rocky Mountain understand the dollars-and-cents reason for this decision: in order to work, any “guarantee” that all applicants can be enrolled, regardless of their health status, must be coupled with a requirement that all individuals participate in the system before they get sick. Otherwise, folks would wait until they are already sick before they seek coverage. If only sick people buy insurance, it will be much more expensive.

We felt a commitment to continue to cover the children of Colorado, but will watch this carefully to keep premium costs affordable, as we continue to work with policy-makers to implement solutions that will solve this dilemma.

The Law is geared toward the Rocky Mountain Health Plans Model

For more than 35 years, we have been committed to serving as a vehicle for all people to access the health care system, whether through their employer, a government plan, or through individual coverage. We do this on a community-by-community basis, working closely with the doctors, nurses, and hospitals in each town. This private sector approach has allowed us to build a system with both stability and innovation. We will continue to look for opportunities for Rocky Mountain to improve access to care.

What is coming next?

Regulatory implementation

2010 is not the end of health care changes; it is the beginning. Many of the biggest changes will occur between now and 2014. As with virtually all federal laws, there will be a number of regulations that will determine the details needed to implement the legislation. We will keep you posted on the changes that may affect you and your loved ones.

State legislation

A number of decisions are delegated to the states under the new federal law. For example, the Colorado legislature will consider how to best establish an Insurance Exchange by 2014, through which Individuals and small employers will be able to compare similar health insurance packages in a simplified side-by-side comparison. The State also has the opportunity to determine who can participate in the exchange by defining a “small employer.”

Conclusion

Health care reform is no surprise to us at Rocky Mountain Health Plans. We have worked with policy-makers for years to encourage them to reform the system to address two pressing concerns: the spiraling costs of health care, and the need to cover the uninsured.

We strive to be part of solution and offer our expertise to policy-makers at the state and federal level, with one goal: to work together to provide better care in the most cost-effective way for our Members. We believe that Rocky Mountain has the right model with the right focus, at the right time. That is not just my opinion: Study after study has validated the effectiveness of our delivery model, and held us up as a model for other communities.

Last month, Dr. Elinor Ostrom, the winner of the 2009 Nobel Prize in Economics, and the Rippel Foundation announced a two year study of four American health systems. They asked one health plan representative to serve on the Advisory Council to Dr. Ostrom: Rocky Mountain Health Plans.

Admittedly, we have much work to do to get health care costs low while keeping quality high. But there is no health plan in the country in a better position to rise to the challenge with the talented and committed staff and a leadership team that is focused on our ongoing success and continued service to our Members. Thanks for letting us serve you.

Sincerely,



Steve ErkenBrack
President and CEO

**We understand Colorado.
We understand you.**

