

# Kansas Health Policy Authority

Kansas Health Policy Authority &ndash; Calculating impacts of multiple health care reform options

## Situation

The Kansas Legislature passed Senate Bill 11 in 2007 that required the Kansas Health Policy Authority (KHPA) to develop and present options to the Legislature for comprehensive health care reform in Kansas.

The reform options analyzed were designed to increase access to affordable health care coverage, thereby promoting the health of Kansans. srHS facilitated the discussions with the KHPA Board and stakeholders and provided a policy driven actuarial analysis of health insurance reform options.

## Solution

Through a series of meetings with KHPA staff and strategic discussions with the KHPA Board, we agreed to model five options with varying degrees of participation (voluntary to mandatory) and access (public to private). srHS modeled five separate scenarios for the KHPA, including:

1.  
a voluntary  
public program expansion,
  
2.  
a voluntary  
market-based reform through an insurance clearinghouse,
  
3.  
a mandatory  
coverage option that included employer and individual mandates,

4.  
a single payer  
option, and

5.  
a combined  
option using pieces of both voluntary and mandatory options.

In our report, Kansas &ndash; Pricing the Roadmap to Health Insurance Reform Options, we present the populations affected and financial results of these options. {Refer to our Resources menu for a copy of the report}

In order to model the various scenarios, we used our State Health Reform Projection (SHRP) model. The SHRP identifies the entire health care marketplace based on an individual's primary market link to the health insurance market. The link shows how each individual currently receives their health care coverage and who pays for it. Those without coverage are identified as uninsured. For the uninsured, the model goes a step further, identifying an individual's secondary market linkages to the current market. These secondary links show the most likely avenue for an individual to access health care coverage if it becomes available and they choose to do so. The key is that the secondary linkages are dynamic, allowing an uninsured's point of entry into the health care market to change based on the reform under consideration.

The SHRP model calculated the impacts of each reform by looking at both the populations affected and the associated costs. We were able to determine who would come into the health care market through which avenue, and who would ultimately bear the expense.