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An act relative to affordable health insurance group purchasing for human service providers

Bill purpose: To enable the Providers' Council to aggregate members of any size for the purposes of procuring health insurance products at more favorable rates, provided those products meet minimum creditable coverage requirements.

Recent action: House Bill 1171 (Rep. Lewis) referred to Joint Committee on Health Care Financing; Senate Bill 573 (Sen. DiDomenico) referred to Joint Committee on Financial Services (March 2019).

Key Facts:

- Human services organizations provide critical care on behalf of the Commonwealth to one-in-ten state residents. The Commonwealth is the primary – and in many cases, the only – purchaser of these services.
- After payroll, health insurance is the largest expense for human services providers, and it is the single most volatile expense. Double-digit premium increases are common, and health insurance is a “budget buster” for many organizations.
- Many human services organizations have had to adjust the employer share of the monthly premium as state contracts have not increased proportionately with health insurance costs.
- Employees often struggle to afford health insurance because recent year-to-year increases have been between 10 and 30 percent at some organizations. The giant increases have been financially destabilizing for employees, as a recent Donahue Institute reports that one-in-eight human services workers is living at or below 150 percent of the Federal Poverty Level (FPL).

If passed, this legislation would:

- Allow the Providers' Council – formally the Massachusetts Council of Human Service Providers, Inc. – to aggregate its members for the purposes of purchasing health insurance.
- Help community-based human services organizations – that have contracts with the Commonwealth of Massachusetts to provide services to state residents – receive more options to purchase health insurance and potentially receive more affordable rates.
- Better enable low-paid community-based human services workers – one-in-eight of whom is living at or below 150 percent of the Federal Poverty Level (FPL) – to afford their employer's health insurance plan rather than signing up for MassHealth or a subsidized Connector plan.
- Ensure organizations and employees alike are receiving a high quality health insurance product that meets minimum creditable coverage requirements as defined by the Commonwealth Health Insurance Connector Authority under 956 CMR 5.00.

For more information:

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