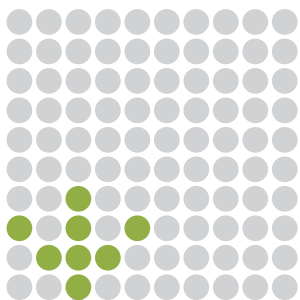


Health Coverage for All

BY RACHAEL MOELLER GORMAN // INFOGRAPHIC BY FLYING CHILLI

The plan to improve Massachusetts's health-care system seems simple: By July 1, 2007, everyone in the state must be insured. The state will use the money it (as well as insurers, hospitals, and local and federal governments) now spends to subsidize the "free" hospital care the uninsured receive to subsidize insurance for residents whose earnings are too high for Medicaid qualifications but too low to afford insurance.

In Massachusetts



8% OR MORE ARE UNINSURED

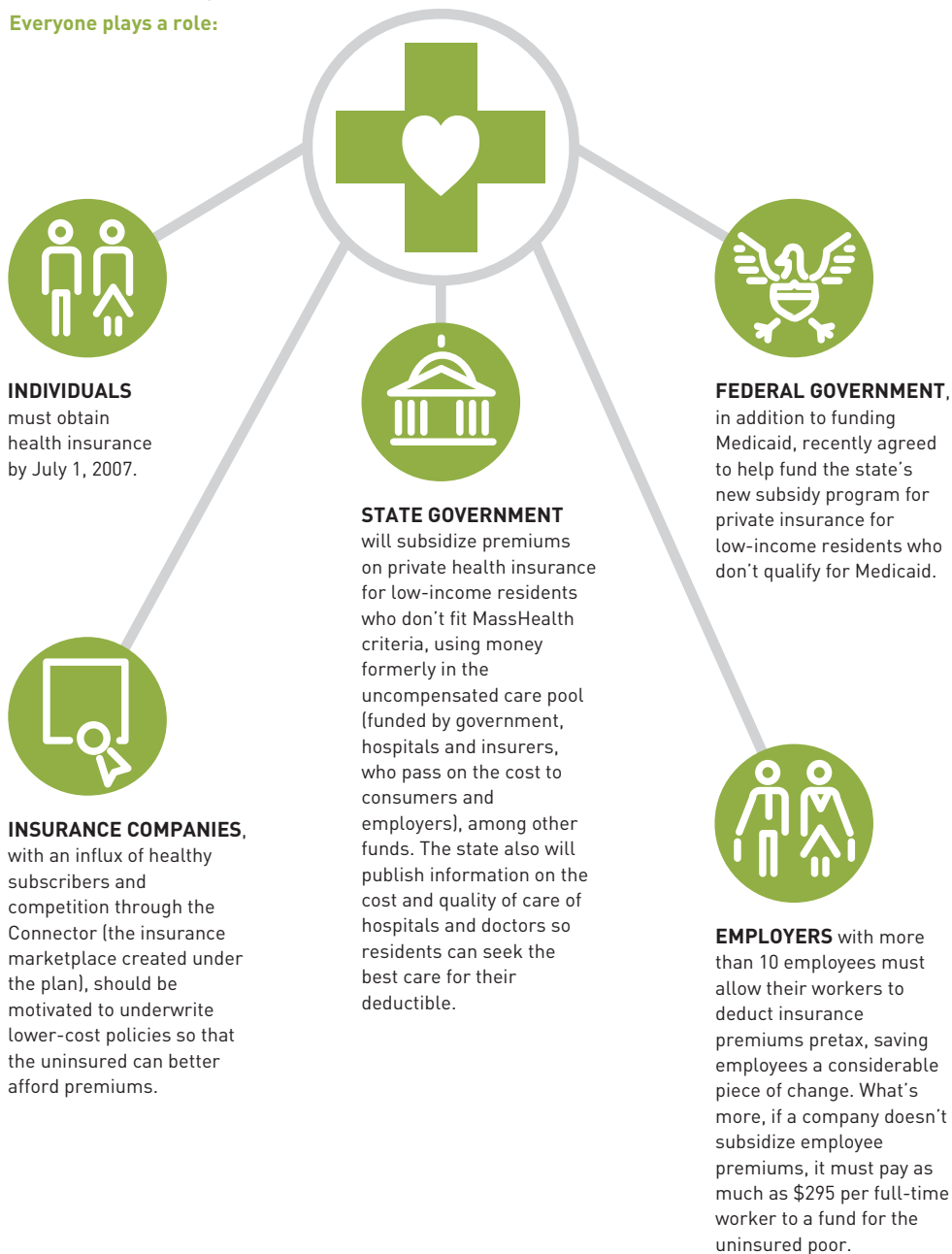
They include:

- Low-income residents who don't meet MassHealth (Massachusetts's Medicaid) criteria
- Young adults just entering the workforce
- Workers at companies that don't offer insurance
- Part-time and seasonal employees who don't qualify for their employers' insurance
- The self-employed who can't afford private insurance

TOTAL COST \$1bn

In the new system

Everyone plays a role:



But will it work...



...IN THE BAY STATE?

Everyone, from individuals and employers to insurance companies and the state and federal governments, has a stake in the new system because when some people aren't insured everyone else pays—even individuals, with higher insurance premiums and taxes to support mandatory insurance company and government contributions to free care. Yet despite widespread support for the plan, approved by a Democratic legislature and a Republican governor, success is far from assured. The biggest concern is whether funding will be sufficient to support subsidy programs over many years, and with health costs continuing to skyrocket, prices for insurance plans may remain unaffordable for the two-fifths of the uninsured who make too much money to qualify for subsidies. Finally, enforcement of mandates is often difficult (in Massachusetts in 2007, the punishment for being uninsured will be loss of the personal state tax exemption), and public awareness of the mandate is quite low.



...IN OTHER STATES AND FOR THE NATION?

Even if Massachusetts achieves universal coverage, its plan might not serve as a viable model for other states and the federal government. Though this liberal stronghold clearly has the will to insure everyone, many states oppose government mandates. Moreover, Massachusetts has a relatively small population and relatively few uninsured citizens—fewer than one in 10, compared with approximately one in five in California and one in four in Texas. And the proportion of the state's employers already offering insurance is among the nation's highest. Vermont passed similar legislation in May 2006, providing subsidies to low-income residents, and Maine passed a less comprehensive bill in 2003 that also helps people buy insurance, but both lack the individual mandate (that everyone must have health insurance) that Massachusetts believes is essential. So, although the plan may serve as inspiration for other states and the nation, a carbon copy would be unlikely to prove successful.