

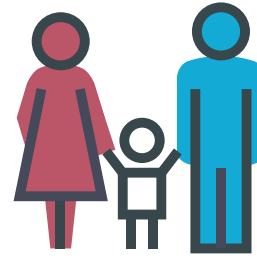
Facts to Consider When Crafting Public Health Policy

Lawmakers can positively impact health policy.

Sound health insurance legislation may result in

- Reduced costs
- Improved access
- Opportunities for innovation

But some well-intentioned laws do more harm than good.



Health plans cannot arbitrarily adjust their rates.

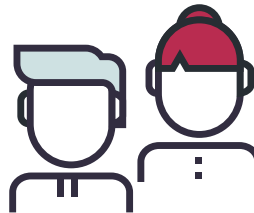
- The State of Ohio must approve all rates for state-regulated insurance
- Rates must be actuarially sound and justified.
- Health plans are required to spend a certain amount of premium dollars on claims and quality improvement. This is an effective profit cap on insurers – the only such cap in the health care chain.



Increased costs are ultimately paid by consumers.

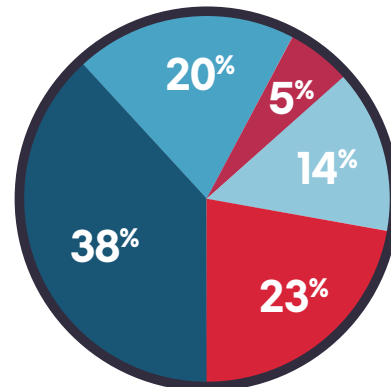
Health policy results in increased costs when:

- Insurance coverage is required of a product or service that is not covered today
- Insurers are barred from encouraging equally effective, but more affordable health options



Most Ohioans are not impacted by Ohio health insurance policy.

- 14% are insured by a state-regulated plan
- 23% are insured by Ohio Medicaid
- 38% are on a federally regulated self-insured plan
- 5% are uninsured



BASIC INSURANCE TERMS

Premium - the amount paid to an insurance company for coverage

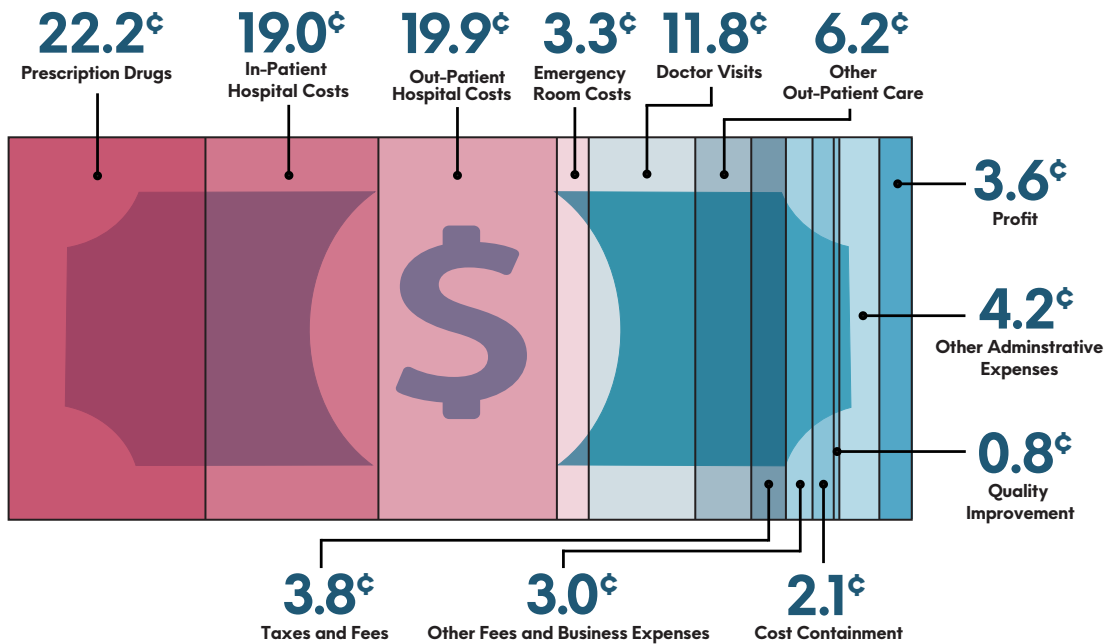
Deductible - The amount paid by the consumer for covered services before plan starts to pay

Copay - A flat fee for specific covered benefits such as prescriptions and provider visits.

Components of Health Insurance

Where does my healthcare dollar go?

SOURCE: AHIP



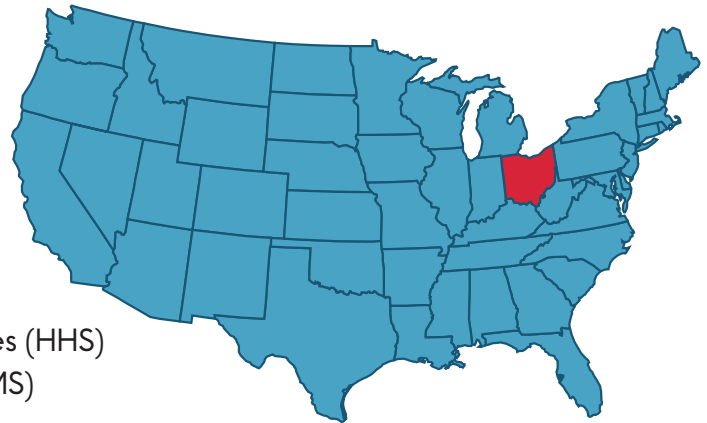
Who regulates insurance?

In Ohio:

The Ohio Department of Insurance (ODI)
The Ohio Department of Medicaid (ODM)

Federally:

United States Dept. of Health and Human Services (HHS)
Centers for Medicare and Medicaid Services (CMS)



Policy Spotlight

Site of Care and Consumer Healthcare Literacy

From 2012 to 2021 there was a 20% drop in healthcare literacy.

Why does this matter? Consumers with low healthcare literacy use the Emergency Room three times more often than people with high healthcare literacy.

Ripe for change:

If consumers with low healthcare literacy used the Emergency Room at the same rate as high literate healthcare consumers, the **U.S. healthcare system would save \$47 billion annually.**

SOURCE: Accenture