

BCBSF Position on CHPA-based Health Care Reform

BCBSF Position on CHPAs

- o BCBSF supports health care reform that takes advantage of managed care and private markets to address health care cost, access, and quality problems. Managed competition (and its purchasing cooperatives or CHPAs) is one model that meets these criteria.
- o The managed competition model is very complex and largely unproven. If Florida is to adopt it, we would support the timetable proposed in the Interim Florida Health Plan - careful development during 1993 with participation from employers, providers, insurers, and consumers and implementation in 1994.
- o If Florida must have CHPAs now and without a study or pilot program, there are some key components that BCBSF believes are essential to their success:
 - o The CHPA's purpose should be to promote competition among managed care companies based on quality and price. The CHPA should not be a purchaser; it should improve the ability of CHPA members to purchase for themselves.
 - o The CHPA membership and governing board should be confined to persons who actually purchase health benefits through the organization -- those with a direct interest in its success.
 - o Most important, individuals -- not employers -- should choose among the AHPs competing through the CHPA. Individual choice is the central concept of the managed competition model. Individual choice promotes personal responsibility, while allowing individuals to select a health care plan of their choice.

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- BCBSF supports health care reform that takes advantage of managed care and private markets to reduce costs, improve quality, and ensure financial stability. Managed competition (and its purchasing alternatives or CHPA) is one model that meets these criteria.
- The industry competitive model is very complex and largely unproven. It should not be adopted until it can be shown to be a viable alternative to managed care. The Florida Health Care Reform Commission (HRC) was established in 1997 with participation from employers, government, industry, and consumers and implemented in 1998.
- Florida has passed CHPA law and various industry and public programs. While the law is key component that BCBSF believes are essential to their success.
- The CHPA model should be to ensure competition among managed care companies based on quality and price. The CHPA should not be a purchasing alternative. It should require the ability of CHPA members to purchase from multiple providers.
- The CHPA membership and governing board should be made up of providers who actively purchase health benefits through the open market. Those with a direct interest in the market.
- BCBSF has no interest in CHPA. BCBSF is a not-for-profit organization and its primary interest is in providing health care to its members. BCBSF does not have a financial interest in CHPA. BCBSF is a not-for-profit organization and its primary interest is in providing health care to its members. BCBSF does not have a financial interest in CHPA.