



## Mandated Benefits Review - Senate Bill 499 - Executive Summary

In its present form, Senate Bill 499 does *not mandate the coverage* of a new benefit but, rather, would require that optional home health benefits be *offered* to purchasers. In this sense, Senate Bill 499 does not contain a "mandated benefit" as outlined in Act 34. Nonetheless, the Pennsylvania Health Care Cost Containment Council went forward with the review process as requested.

After reviewing the submissions received for Senate Bill 499, the Council finds no evidence to recommend the passage of this legislation at this time. We note the following points:

- ⊗ The information that was submitted to the Council was not sufficient for staff to perform a complete cost/benefit analysis. In fact, no information was received in support of this measure, only in opposition to it.
- ⊗ We conclude, further, that the information received was not sufficient to warrant a full review by a Mandated Benefits Review Panel, nor do we believe a panel of experts would come to conclusions different than the ones reached here.
- ⊗ While coverage for this type of care can be a beneficial option, the information we received suggests that current options for home health care coverage appear to be adequate. Home health care options are already widely available from insurers including Medicare and Medicaid. Submissions, therefore, did not demonstrate that there is currently an inadequate level of coverage or that a lack of coverage results in financial hardship or inadequate health care. In addition, no information suggesting public support for this measure was received.

Finally, while this measure covers reimbursement issues and is not a mandate for health care benefits, submissions discussed mandates in general. In reviewing this information, the Council finds that caution must be used when considering health care mandates. In particular, attention must be given to the cumulative financial effect of enacting mandates. The Council notes, in particular, the correlation between the number of mandates and the increasing cost of health insurance, the increasing number of uninsured, the increased incentive for large employers to self insure, and the decreasing number of employees covered by employer sponsored health insurance.