



Evaluating Competing Proposals

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March 18, 2005

Background Information About Proposals

- ✦ For each proposal the Task Force considers, we will try to describe:
 - Target population (e.g., low income, children, people with pre-existing health problems, employees of small employers)
 - Costs (to government, employers, individuals, providers, insurers)
 - Number of people who will be covered (all people vs. those previously uninsured)
 - Covered benefits and cost sharing
 - Program administration (public, private, public/private partnership)
 - Implementation (ease of implementation, time needed, start up costs, statewide applicability)
 - Potential impact on other insured

Possible Evaluation Criteria

- ✦ The Task Force may want to consider some of the following in selecting from competing proposals:
 - Efficiency of targeting: How many new uninsured will be covered?
 - Equity: Does the policy treat equally situated people similarly?
 - Affordability: How affordable is the coverage (to government, employers, individuals, providers and insurers)?
 - Impact on currently insured:
 - Does the proposal help reduce cost shifting?
 - Does the proposal allow people who are currently insured to drop existing coverage?



Possible Evaluation Criteria (cont'd)

- Pooling: Does the proposal promote pooling of risk or allow for market segmentation?
- Impact on health: Is the program designed to improve health outcomes and enhance health?
- Coverage for catastrophic health costs: Does the policy help protect individuals from large catastrophic health costs?
- Choice: Does the policy provide individuals with a choice of providers? Plans?
- Statewide applicability: Can the policy be implemented statewide?
- Political Feasibility: How difficult will it be to make the needed changes?

Trade-Offs

- ✦ No policy will be the best across all the evaluation criteria. For example:
 - Policy options that promote equity may be less efficient in targeting the uninsured
 - Policy options that are more affordable to government may be more expensive to employers and/or individuals (or visa versa)
 - Policy options that shift more of the costs to individuals may make it more difficult for these individuals to obtain health care services needed to maintain or promote health