

**CENTER FOR HEALTH
INFORMATION AND ANALYSIS**

**ANNUAL REPORT ON THE
PERFORMANCE OF THE MASSACHUSETTS
HEALTH CARE SYSTEM**

**SUPPLEMENT 9: OTHER PUBLIC
HEALTH CARE PROGRAMS**



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Other Public Health Care Programs

This Supplement provides information on health care expenditures for Massachusetts residents in public health care programs, other than MassHealth, Commonwealth Care, and Medicare, that are components of public spending included in Total Health Care Expenditures (THCE).

Key Findings:

Consistent with national trends, Veteran Affairs spending grew to \$1.1 billion in 2013, a 20.2% increase.

Health Safety Net payments to providers decreased to \$410 million in 2013, a 4.7% decline.

Spending for the Medical Security Program fell to \$33.7 million in 2013, a 46.2% decrease, driven by the elimination of the program in January 2014.

Total Spending for Other Public Health Care Programs

Total spending for “other” public health care programs that serve Massachusetts residents that are not included in MassHealth, Commonwealth Care, or Medicare program spending, accounted for just 3% of THCE in 2013.

Veterans Affairs

Veterans Affairs (VA) provides coverage for veterans living within Massachusetts. VA spending grew from \$913 million in 2012 to \$1.1 billion in 2013, a 20.2% increase. On a per-beneficiary basis, VA spending

increased from \$2,352 in 2012 to \$2,931 in 2013, a 24.6% increase. The significant increase in VA health care expenditures for Massachusetts veterans between 2012 and 2013 is consistent with the VA spending growth in medical care nationally, which had a 23.0% increase in total spending and a 25.0% growth on a per-beneficiary basis.¹

Health Safety Net

The Health Safety Net (HSN) pays acute care hospitals and community health centers for medically necessary health care services provided to eligible low-income uninsured and underinsured Massachusetts residents. HSN payments to providers decreased from \$430 million in 2012 to \$410 million in

2013, a 4.7% decline, which was due, in part, to funding administrative expenses directly from the HSN in 2013.²

Medical Security Program

The Medical Security Program (MSP) is available to Massachusetts residents who are receiving unemployment insurance benefits. MSP spending fell from \$62.6 million in 2012 to \$33.7 million in 2013, a 46.2% decrease. This substantial decline could be due to the pending elimination of this program in 2014, as members were transitioned to other coverage options, resulting in a 50.5% decrease in the membership of MSP direct coverage.³

¹ Data is available from the National Center for Veterans Analysis and Statistics: <http://www.va.gov/vetdata/Expenditures.asp>

² HSN spending in a given year, which included administrative expenses in 2013, is capped by appropriation from the state legislature. In both 2012 and 2013, HSN demand significantly exceeded available funding.

³ MSP was extended through December 2014 for those under direct coverage provided by Network Health. MSP members will continue to be transitioned to MassHealth or Commonwealth Health Connector health plans depending on their eligibility.



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