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**Council President Chris Anderson's Statement on
The Baker Administration's Resubmission of MassHealth Reform Package
July 17, 2017**

There is no policy or public expenditure issue currently pending in Massachusetts that will have greater impact on the Commonwealth's immediate and long-term economic health and fiscal stability than the Legislature's prompt and favorable adoption of the package of MassHealth reforms the Governor has resubmitted today.

MassHealth now represents 40% of the total state budget driven by cost drivers that, if left unchecked, risk reducing the Commonwealth's ability to deliver health care coverage to the most vulnerable citizens of our state. Without real and immediate reforms as proposed by Governor Baker, MassHealth will continue to be the cause of recurring and expanding budget shortfalls as any revenue growth is absorbed by the program's spiraling costs. Conversely, the realization of just a small percentage of savings in the \$16 billion MassHealth program can free up significant resources to support investments in other important state budget priorities including education, infrastructure, economic development and public safety.

In June, the Council and a diverse group of impacted stakeholders supported a balanced package of reforms to MassHealth and the commercial insurance market along with a \$200M assessment on employers to help fund MassHealth. In exchange for reforms to MassHealth, we remain willing to shoulder some of the burden to maintain and secure this important safety net for the Commonwealth's most vulnerable citizens. The Council is disappointed that the legislature chose to impose only the employer assessment, without adopting any of the reforms proposed by the Governor.

The Council's support for any employer assessment has always been absolutely conditioned on the adoption of reforms to MassHealth that are sufficient to put the program on sustainable financial footing AND an ironclad commitment to sunset the assessment no later than the end of 2019. Until such reforms are adopted, the Council cannot and will not support an employer assessment. The Council is committed to working with Governor Baker and the Legislature to adopt and implement these critical modifications to MassHealth.

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