BLUE CROSS CEO SARAH ISELIN DELIVERS OPENING REMARKS AT HEALTH POLICY COMMISSION'S ANNUAL COST TRENDS HEARING

Sounds alarm on rising health care costs and effects on families and businesses

BOSTON, November 14, 2024 /PRNewswire/ -- Today, Sarah Iselin, president and CEO of Blue Cross Blue Shield of Massachusetts, delivered opening remarks as part of her testimony at the Health Policy Commission's (HPC) annual Cost Trends hearing. The HPC hosts the hearing annually to examine the drivers of health care costs and discuss challenges and opportunities for improving care and reducing costs across the health care system.

"Our state has among the highest health care costs in the nation, and they're growing at the fastest rate in at least a decade," Iselin said. "These costs are hurting families and businesses and making our state less competitive. Those of us who work in health care have an urgent obligation to do more to make health care more affordable. And at Blue Cross, we're committed to working with anyone and everyone to make that happen."

Health care affordability remains a challenge for residents and businesses statewide. According to a statewide Blue Cross poll, 40% of Massachusetts residents say they have delayed getting care due to the cost. Last month, the HPC released data showing Massachusetts has the second highest family health insurance premiums in the country, with the average annual cost of health care for a family now exceeding $30,000 a year. As a result, the HPC recommends "bold action" by local policy makers to make the health care system more affordable and make the state "more economically competitive" for families and businesses.

Iselin testified alongside Eileen Auen, Executive Chair of the Board of Directors at Point32Health; Dr. Eric Dickson, President and CEO of UMass Memorial Health; and Dr. Anne Klibanski, President and CEO, Mass General Brigham on a panel about the threats and opportunities facing the state's health care system.

Remarks as Prepared for Delivery:

"Thank you all for the opportunity to be here.

"I am profoundly grateful to live in a state that had the foresight to create this Commission, to establish our benchmark, and to hold these hearings – they have truly never been more important.

"I am also profoundly grateful to be in a state that is committed to ensuring all our residents have access to care, including reproductive care, regardless of what happens in Washington DC.

"When I sat in this seat last year, I was sounding the alarm.

"Our claims costs were rising at nearly eight percent - more than twice as fast as they were growing before Covid-19.

"And now our trend is approaching 10% – rates we haven't seen in at least a decade.

"Much as I wish it were, this is not a blip. Looking forward, I don't see much changing in terms of the major drivers of rates – which are provider prices and drugs.

"And that worries me. And I am not just talking as the CEO of a health plan here (though when you all see our financials at the end of this year you certainly won't have to ask me what keeps me up at night).

"It worries me as a resident of this state, as a business leader and employer, as a friend and a mother.

"This is a competitive issue because people are leaving high-cost states like ours. It's a business issue because employers are struggling with these costs.

"And it is a deeply, deeply human issue - it's hard to worry about anything else when we can't get the care we desperately need…and there are many people not getting the care they need, especially in communities of color, and it's because our costs are just so, so high.

"For a while we made progress – back in 2011 we had the most expensive family health care premiums in the country.

"Over the next decade, Massachusetts held down costs and we dropped in the ranks; in 2021 we were down to number twelve.

"The work of this Commission played a huge role in that success.

"But the picture has changed and we're back at the top of the list. We now have the second highest health care premiums in the country.

"Look, everyone on this panel, in this room – everyone wants a health care system that ensures our members and patients can get equitable access to care.

“And I know that a lot of our provider systems are still struggling in ways big and small.

“This is a balancing act. Employer costs…are provider revenues. Unless we can bring down the total cost of health care, lower premiums mean higher cost sharing by consumers, or lower payments to providers.

“And everything I’ve seen over the last year has only reinforced to me that the private sector will not be able to achieve or strike the right balance alone.

“We need thoughtful intervention from state government to ensure that we are protecting our families, our businesses, our plans and providers. And that we’re aligned in working together to create a health care system we can all rely on. Today and for the decades to come.”
