

**HIP 2.0 KEY MESSAGES**

The following key messages will help your hospital in communication surrounding the new HIP 2.0 plan proposed by Governor Mike Pence. Use these points in internal and external communication, public relations, op-eds and in interactions with community leaders and elected officials. **DO NOT DISTRIBUTE PUBLICLY.**

**BACKGROUND**

* Since taking office in January 2013, Governor Mike Pence has promoted the Healthy Indiana Plan (HIP), which uses a consumer-driven model featuring health savings accounts (HSAs).
* After negotiating a one-year waiver for 40,000 HIP recipients, Gov. Pence has now developed plans to expand the program in the form of HIP 2.0 as an alternative to Medicaid using private market-based reforms, employer-based plans and HSAs to offer health care coverage to the Medicaid-eligible population in Indiana.
* IHA announced support of the HIP 2.0 concept, which will now be considered by the U.S. Department of Health and Human Services (HHS).
* If approved, the plan could provide health care coverage for up to 350,000 residents who are currently without health insurance.

**ABOUT HIP 2.0**

* As proposed, there will be three packages as part of the HIP 2.0 umbrella:
* HIP Link
* HIP Plus
* HIP Basic
* Benefits of the new plan will include:
* Higher reimbursement rates for providers to ensure better access for patients
* Essential services such as maternity care and mental health treatment
* Elimination of the waiting list that had been part of the first HIP program
* IHA and its 160 members throughout the state have been supportive of a fiscally responsible approach to expand coverage and will provide financial support for the program through an existing provider fee program.
* Coupled with the tobacco tax revenue dedicated to the current HIP program, this expansion will leverage billions in federal matching dollars. By bringing those tax dollars back to Indiana, all Hoosiers will benefit from the positive economic impacts.

**TALKING POINTS**

* Approximately 860,000 Hoosiers, or 14 percent of the population, are uninsured.
* As many as 300,000 Indiana families in low-paying jobs do not earn enough to qualify for tax credits and subsidies through the Health Insurance Marketplace. But, they earn too much to qualify for Indiana’s existing health care programs for the poor.
* If coverage expansion is approved, the average family could save as much as $677 in premiums per year.
* Uncompensated care is rising rapidly, straining resources and shifting costs to other payers. Indiana hospitals provided nearly $3 billion in uncompensated care in 2011. Expanding coverage will reduce the amount of uncompensated care while providing security for the most vulnerable in the state.
* In states that do not expand coverage, large employers may pay substantially higher federal tax penalties. In Indiana, the potential employer shared responsibility penalty could total $23 to $34 million.

**ABOUT INDIANA HOSPITALS**

* Create more than $33 billion in state economic activity.
* Employ approximately 125,000 individuals and support an additional 260,000 jobs elsewhere in the Indiana economy.
* Spend nearly $8 billion on Hoosier employee wages and benefits.
* Spend over $16 billion on goods and services from other businesses in Indiana.
* Rank as the second largest source of private sector jobs nationally.

Learn more about the need for coverage expansion – visit **ExpandINCoverage.org**.