

## Our health: Insurance premiums

# Treating area's high health care bills

Local business and medical system leaders respond to the recent announcement of premium increases by the area's two largest insurers — Excellus BlueCross BlueShield and Preferred Care.

## Let's talk ways to curb costs



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The rising cost of health care continues to shock employers and their employees nationwide. Recent announcements by Rochester insurers sent a jolt of surprise throughout our community.

The reality is employers can no longer absorb double-digit increases.

At the same time, employees and individuals are finding it more and more difficult to select coverage they can afford.

According to Rochester Business Alliance surveys, wage increases for the Rochester area have averaged 3.2 percent in each of the past three years. At the same time, health insurance increases have averaged nearly four times that amount.

Employers are continuing to bear the lion's share of employee health insurance costs. RBA data shows employers on average fund about 70 percent for single coverage. But premium

cost-sharing increases along with higher co-pays and deductibles are hitting workers hard.

Against this backdrop, it is easy to understand how employers and employees may feel frustrated and powerless in attempting to manage rising health insurance costs.

You'll now find in our health care marketplace a variety of local self-insurance and lower-cost plans, competitive products from other insurers, funding strategies to control employer contributions and consumer-driven health plans.

Amid all these options, we have yet to realize significant savings.

Consumer demand for health care continues to increase, as does the cost of those services. As a result, we have seen a shift of the cost burden from employers to employees. I believe I speak for all when I say something's got to give.

On a positive note, the relationship between providers and insurers seems to be improving. This may signal that now is the time to get the right parties at the table to discuss plans that could produce some real savings in the long term for Rochester area health care.

That's exactly the next step that we need to take, and the RBA is ready to be a convener to facilitate discussions.

What are some of the issues we should address? I suggest:

- Increased support for regional health care planning through advisory boards such as CTAAB (Community Technology Assessment Advisory Board). CTAAB's goal is to create access to new technology without over-developing the health care delivery system.

- More data to aid employers and their employees in selecting benefits.

- Support for creating regional medical centers of excellence.

- Increased information that is clearly stated to help us understand why premiums are increasing at the current levels.

It is a question of will. Our region can be a symbol of how health care is managed. We've done it before. As a community, we've always been able to pull together in times of crisis. There's no easy answer to the dilemma of affordable, quality health care.

The business community through the RBA is looking for the answers that are in the best



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interest of our entire community. □

*Parker is president and chief operating officer, Rochester Business Alliance; and the RBA's incoming chief executive officer.*