Dems, Reps Agree It's Time For Health Care Reform

BY ALICIA AULT
Associate Editor, Practice Trends

WASHINGTON — The nation's health care system will be overhauled in a substantive fashion in the early days of the next administration, promised advisers to both presidential candidates at a forum sponsored by the journal Health Affairs.

Although the economy has replaced health care as the top issue for voters, there is still a hunger for change, and economic and health concerns are linked, said Democratic and Republican pollsters at the same forum.

Sen. Ron Wyden (D-Ore.), who has pushed for health reform for years, agreed that early 2009 will be the right time. "At this point you almost don't want to hope again," he said at the forum. But "this time, believe."

He said that he has visited with 80 of 100 senators in the last few months and that all were motivated to reduce the cost of health care and to increase coverage for the uninsured.

Sen. Wyden and Sen. Bob Bennett (R-Utah) have promoted their Healthy Americans Act (S. 334) as a solution, but Sen. Wyden acknowledged that no one piece of legislation was likely to be the be-all and end-all.

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Democratic pollster Celinda Lake said that voters view health care as a right and that in particular, women regarded it as a value. Women are concerned that health care not cost too much and that cost constraints not lead to any shortages that result in long waits for appointments or less time with a physician. And women are likely to be the voting bloc that decides the 2008 presidential election, Ms. Lake said.

On the other hand, those currently without health insurance are the least likely constituency of concern, she said, noting that the strongest predictor of not voting is being uninsured.

Americans strongly believe in personal responsibility, choice, peace of mind, and security. They also "want an American solution," Ms. Lake said.

Most important, when it comes to health care, Americans are consumers, "not altruists," she said. That means they want to know how much it's going to cost them to cover the uninsured. "There is a real desire for change and a dramatic concern about rising costs."

Presidential candidate Sen. John McCain (R-Ariz.) seems to have tapped into these sentiments with his proposal to grant tax credits for health insurance plans, paying for wellness and eliminating waste in the system, Ms. Lake said.

Health care is inexorably linked with the economy—when the economy is bad, people worry about their health coverage, said William McInturff, a Republican pollster. In a poll his company conducted for the Robert Wood Johnson Foundation, the top two items cited to improve the economic situation for the average American were making health care more affordable and providing coverage for all Americans.

Of all respondents to that survey, 67% said they thought the number of uninsured would increase in the next 6 months. That's the highest percentage since his firm began asking the question in 2001, Mr. McInturff said.

Candidates' proposals—such as mandates requiring individuals to have insurance, a focus on prevention, and repealing tax cuts to pay for coverage—resonated, with 35%-45% of survey respondents saying they'd heard or read about such ideas.

Mr. McInturff predicted that if Sen. McCain becomes president, the senator would remain committed to health reform.

"I'm not sure I understand how Sen. McCain would advance cost control," said Dr. David Blumenthal, a senior adviser to Sen. Barack Obama's (D-Ill.) campaign.

The way to get affordability and value is to address cost and access, said Dr. Blumenthal, director of the Massachusetts General Hospital Institute for Health Policy, Boston. He is also professor of health care policy and Samuel O. Thier Professor of Medicine at Harvard Medical School in Boston.

Dr. Blumenthal said that it was relatively easy to curb spending in Medicare through budgetary caps, but that was not a good solution because it would just push the costs elsewhere.

Douglas Holtz-Eakin, a senior policy adviser to Sen. McCain's campaign, said that offering options to employer-sponsored health insurance could make Americans better consumers, and thus help drive down costs.

"You can achieve a stable, equitable system without dismantling the employer-based insurance market," said Dr. Blumenthal, disagreeing. He noted that in the 2008 campaign, it appeared that Republicans and Democrats had "traded hats" when it came to health care.

Democrats want to build on what is already there, and Republicans are proposing more radical change, he said.

But all agreed that reform was coming.

"The next president will have to do health care reform, period," said Mr. Holtz-Eakin, adding that the next president will also have to get any plan through Congress, "and it will have to be bipartisan."

"Presidential leadership and vision will set an important tone and direction for the conversation," Dr. Blumenthal said. "It's wildly premature to say what that conversation will be," he continued, but added that Sen. Obama would stand by his promise to address health reform. ■

POLICY & PRACTICE

RACs Find Overpayments

The recovery audit contractors (RAC) pilot program is successfully identifying improper payments, according to a report from the Centers for Medicare and Medicaid Services. The findings from the report will help the CMS improve the program as it expands nationwide within 2 years, the agency said. The report showed that $693.6 million in improper Medicare payments were recovered between 2005 and March 2008. Of the overpayments, 85% were collected from inpatient hospital providers, 6% from inpatient rehabilitation facilities, 4% from outpatient hospital providers, and 2.5% from physicians, the report said. The remaining 2.5% were collected from ambulance services, skilled nursing facilities, and durable medical equipment suppliers. The program began in California, Florida, and New York in 2005 and expanded to Arizona, Massachusetts, and South Carolina in 2007.

Mass. Plans to Pay Clinics

Massachusetts health plans in will join plans in two dozen other states in covering visits to urgent care clinics in chain drugstores, a CVS Caremark Corp. spokeswoman said. "We expect that both national and regional players in the state" will add MinuteClinics to their networks, spokeswoman Carolyn Castel said in an interview. In January, the Massachusetts Public Health Council gave CVS Caremark permission to open the clinics, and ordered new regulations governing how the clinics are run in response to concerns by physician groups that the clinics could, for some patients, replace an ongoing relationship with a physician. CVS Caremark intends to open 15-28 MinuteClinics in Massachusetts by the end of this year, and hopes to have 100 clinics operating in the state within 5 years, Ms. Castel said. The company is negotiating for coverage of clinic services with Blue Cross and Blue Shield of Massachusetts, the state's largest health insurer, she said.

Accreditation for Urgent Care

The Urgent Care Association said it will discontinue its own accreditation program and instead will partner with the Joint Commission on Accreditation of Healthcare Organizations, which currently provides an ambulatory care accreditation program. The two groups also said they will collaborate to develop quality standards specific to urgent care, for introduction in 2010. Discontinuing its own program and providing support services through the JCAHO's ambulatory care accreditation program will let the Urgent Care Association focus on other quality assurance issues specific to urgent care, executive director Lou Ellen Horwitz said in a statement. There are an estimated 8,000 urgent care centers in the United States, according to the association.

Medicare Pay Favors Specialists

Incomes vary widely among the four medical specialties—geriatrics, hematology-oncology, nephrology, and rheumatology—that derive more than half of their revenues from government-run health insurance programs, a study showed. For example, geriatricians' incomes averaged $165,000 annually, versus $504,000 for hematologists, even though the two specialties require a similar amount of training. The study, from Harvard Medical School researchers at Cambridge (Mass.) Health Alliance and published online in the Journal of General Internal Medicine, analyzed data from the national Medical Expenditure Panel Survey. The income disparity fuels the shortage of primary care physicians, lead author Dr. Karen Lasser said. "Debt-burdened medical students have much more lucrative career options," Dr. Lasser said in a statement. "What is surprising is that government fee schedules are behind much of this income discrepancy." In total, Medicare accounts for about 21% of payments to doctors, whereas Medicaid and other government programs account for 10%, according to the study.

Feds Scrutinize Generic Maker

India's Ranbaxy Inc., 1 of the top 10 generic drug makers in the world, is being investigated by various arms of the federal government for allegedly introducing "adulterated or misbranded products" into the U.S. market. The company's auditor, Parexel Consulting, is also under scrutiny. According to a subpoena for documents filed in the U.S. District Court for the District of Maryland by the federal Department of Justice and the U.S. Attorney's Office in Maryland, Ranbaxy submitted false information to the Food and Drug Administration on sterility and bioequivalence, covered up violations of good manufacturing practice, and defrauded Medicare. "If these allegations are true, Ranbaxy has imperiled the safety of Americans in a manner similar to the generic drug scandal we uncovered 20 years ago," said Rep. John Dingell (D-Mich.). "I would like to know whether FDA officials knew about these allegations and what, if any, action was taken."

OIG Okays Gift Cards

The Health and Human Services Department has granted permission to an unnamed health care system to manage and resolve patient complaints by offering dissatisfied patients $10 gift cards. The health system, which includes three hospitals, 22 clinics, a skilled nursing facility, and a health plan, had asked the HHS Office of Inspector General if it could offer gift cards for local restaurants and theater chains, the OIG said. The health system had suggested using the gift cards to resolve complaints about excessive wait times; cancelled appointments; delayed meals; excess noise; housekeeping or dietary concerns; equipment problems in hospital rooms; or loss of personal items, the OIG said. The OIG concluded in its opinion that the gift cards would not be considered illegal kickbacks to patients.

—Jane Anderson