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Access to Health Care – 2.5.07: (“The Devil is in the Details”)

(NOTE: pertinent Access to Health Care materials have been highlighted in RED in longer sections for quick reading)

President Bush – section on Health Care Plan from State of the Union Speech 1.23.07

Health care

A future of hope and opportunity requires that all our citizens have affordable and available health care. When it comes to health care, government has an obligation to care for the elderly, the disabled, and poor children. We will meet those responsibilities. For all other Americans, private health insurance is the best way to meet their needs. But many Americans cannot afford a health insurance policy.

Tonight, I propose two new initiatives to help more Americans afford their own insurance. **First, I propose a standard tax deduction for health insurance** that will be like the standard tax deduction for dependents. Families with health insurance will pay no income or payroll taxes on \$15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on \$7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills.

At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, my proposal would mean a substantial tax savings -- \$4,500 for a family of four making \$60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic private health insurance plan within their reach. Changing the tax code is a vital and necessary step to making health care affordable for more Americans.

My second proposal is to help the states that are coming up with innovative ways to cover the uninsured. States that make basic private health insurance available to all their citizens should receive federal funds to help them provide this coverage to the poor and the sick. I have asked the secretary of Health and Human Services to work with Congress to take existing federal funds and use them to create "Affordable Choices" grants. These grants would give our nation's governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand Health Savings Accounts, help small businesses through Association Health Plans, reduce costs and medical errors with better information technology, encourage price transparency and protect good doctors from junk lawsuits by passing medical liability reform. And in all we do, we must remember that the best health care decisions are made not by government and insurance companies, but by patients and their doctors.

Reaction to Bush Health Plan:

Domestic proposals met with skepticism 1.24.07 - MCCLATCHY NEWSPAPERS

WASHINGTON -- Facing a Democratic-controlled Congress, a politically weak President George W. Bush bowed to political reality in his State of the Union address Tuesday by advancing domestic policies that he hoped might win bipartisan support.

Little consensus was apparent, however.

In addition to his pitch to boost alternative fuels and reduce gasoline consumption, he offered **a tax break for buying health insurance** -- unless your employer buys an expensive plan for you, and then Bush would make you pay tax on it.

On health insurance, Senate Majority Leader Harry Reid, D-Nev., said: "Punish people because they have good insurance? I don't think they would agree with that. Taxing people who have health insurance doesn't make sense to me."

Bush's health insurance plan could hurt UAW 1.23.07 - FREE PRESS

The president's proposal for making basic health insurance available to more people could face tough opposition as it seeks to tax workers -- such as UAW members -- who have so-called generous benefits...

...The drawback is that people with generous benefits will foot the bill. The plan is being proposed for a 2009 start date.

"The short answer is it's positive if you're paying for health insurance out of pocket," said Michael Tanner, director of health and welfare studies for the Cato Institute, a Washington-based policy research organization. "The group that does not benefit would be those whose companies have very robust health care plans."

The deal has particular importance in Michigan because unions, such as the UAW, traditionally have negotiated generous health plans.

The UAW did not provide a public comment but **the AFL-CIO criticized the plan for encouraging companies to push health costs onto workers. It also would not help the uninsured because many people without insurance do not earn enough money to benefit from a tax break, the union said.**

"President Bush is touring the nation, touting a health care proposal that only pretends to address our nation's health care crisis, and actually would make it worse," AFL-CIO President John Sweeney said in a statement.

Stabenow: Bush's health care plan 'dead on arrival' 1.29.07 – FREE PRESS

EAST LANSING – U.S. Sen. Debbie Stabenow, D-Mich., said President Bush's proposal to tax health care benefits in order to make them more available to uninsured families is "dead on arrival" at the Democratic-controlled Congress.

"He does nothing to expand the availability of health care, he just moves money around,"

Stabenow told reporters during a roundtable discussion Monday morning.

She added, "There is no way a proposal to tax people's health benefits is going to pass the U.S. Senate."

Stabenow, who now is a member of the Senate Finance Committee, said the U.S. must replace a health insurance system that relies heavily on employer benefits and create a universal health care system for all, similar to Medicare, which uses government money but gives patients their choice of physicians and coverage.

Hillary Clinton on health care/SCHIP -- 1.23.07 - CNN

NEW YORK -- In her first public appearance since announcing her run for the Democratic presidential nomination, Sen. Hillary Rodham Clinton said she will once again embrace health care as a principal cause. "I will be introducing **legislation to make quality, affordable health care available to every child in America**," she told a roomful of reporters at a public health center in New York City as a girl clutched her hand.

The New York senator and former first lady said she and **Rep. John Dingell, D-Michigan**, would introduce legislation "in the coming weeks" to renew and expand the State Children's Health Insurance Program so that families earning nearly five times the federal poverty level would be eligible to participate in it.

"It expands the program to millions of children whose families today cannot afford care," she said. **In addition, all employers and all families, regardless of income, would be able to buy into the S-CHIP program**, she said. "It will be another step toward the day when, once and for all, America provides quality, affordable health care to every single American," she said.

House Dems focus on education, health care — 1.23.07 – Free Press

LANSING -- The new Democratic majority in the Michigan House of Representatives pledged a commitment to educational opportunity, **affordable and accessible health care** and environmental protection in a 2007 agenda announced Monday at the Capitol.

But members of the 58-member caucus, the first Democratic majority in the House since 1998, offered scant details on how they'd achieve the goals or who would pay for them.

House Speaker Andy Dillon, D-Redford Township, said the new Democrats "came here to make change." He said **priorities will include creation of a statewide catastrophic health care pool**, investment in student loan programs and stopping the transportation of out-of-state waste to Michigan landfills.

Pfizer Announces Priorities - 1.22.07 – Free Press

NEW YORK -- Pfizer Chairman and Chief Executive Officer Jeffrey B. Kindler today announced the company's immediate priorities to drive improved performance, position Pfizer for future success and enhance total shareholder return. Executing on those priorities will mark the beginning of an ongoing process to change the way Pfizer does business.

"Pfizer is a great company with a great future," Kindler said. "We are facing significant challenges, however, in a profoundly changing business environment. I believe we must fundamentally change the way we run our company to meet these challenges and to take advantage of the diverse and attractive opportunities that we see in the marketplace.

(More Pfizer)

"We need to maximize near- and long-term revenues from our current product portfolio, from our pipeline and from external opportunities," he added. "We must reduce our absolute costs and put in place a more flexible cost structure. We are establishing smaller operating units that can enhance innovation and accountability while still drawing on the advantages that our scale and resources provide. **We also are taking steps to enhance our collaborations with patients, customers, scientists and business partners**, as well as to make Pfizer an even better place to work for our people. We believe executing against these key priorities will help Pfizer continue as a market and industry leader in the 21st century, and in the process, deliver superior shareholder returns over the short, medium and long term."

PFIZER'S IMMEDIATE PRIORITIES: In a meeting with financial analysts today, Kindler and several other members of Pfizer's leadership team -- including David Shedlarz, Vice Chairman; Ian Read, the head of Worldwide Pharmaceutical Operations; and Dr. John LaMattina, the head of Pfizer Global Research and Development -- discussed the challenges and opportunities facing the company and summarized Pfizer's most immediate priorities.

Priority One: Maximize revenues in both the short and the long term. **Priority Two:** Establish a smaller and more flexible cost base. **Priority Three:** Create smaller, more focused and entrepreneurial business units that will enhance innovation and draw on the advantages of our scale and resources. **Priority Four:** **Actively and more meaningfully engage with customers, patients, physicians and other collaborators to provide them with greater value.** Pfizer said it will experiment with new approaches to bringing its products to market, seeking new and more effective ways of communicating with physicians and patients, inviting payers earlier into the development process, and enhancing its collaboration with academic and other research institutions. **Pfizer is also committed to playing a more significant role in the national dialogue on improving the delivery of care and patient access.** "We must be a constructive voice with our stakeholders on healthcare policy and regulation of our products," said Kindler. "We must be seen as a responsible and active company that is focused on solutions that work for everyone - not just for Pfizer." **Priority Five:** Make Pfizer a great place to work.

December Jobless Rates Up in MI's Regional Labor Markets 1.25.07 – State of Michigan

December seasonally unadjusted unemployment rates increased over the month in 16 of Michigan's 17 major labor market areas, according to the Michigan Department of Labor and Economic Growth. In December, total employment levels grew moderately in most areas while labor force levels advanced in all regions. **Since December 2005, total employment was up slightly in the Upper Peninsula** and the Lansing-East Lansing MSA.

	<u>Dec-05</u>	<u>Nov-06</u>	<u>Dec-06</u>	% change month	% change year
UPPER PENINSULA LMA					
(15 counties)					
Civilian Labor Force	160,100	161,500	162,300	0.5%	1.4%
Total Employment	149,100	150,600	149,800	-0.5%	0.5%
Unemployment	11,000	10,900	12,500	14.7%	13.6%
Rate (percent)	6.9	6.7	7.7		

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Leavitt touts insurance plan - 1.30.07 FREE PRESS

In the next few years, consumers might be able get their health records off a confidential Internet account or find the best doctors.

That's part of the Bush administration's vision for health care, outlined Monday in Detroit by U.S. Health and Human Services Secretary Michael Leavitt.

Leavitt, in two appearances before automotive and health leaders at the Renaissance Center, largely avoided talking about the White House's controversial plans to tax workers with so-called generous health benefits and to restructure care to the poor.

Leavitt chose instead to focus on so-called cornerstone requirements for new quality and cost-reduction standards that federal contractors must meet by next year.

In meetings with the Greater Detroit Area Health Council and the Detroit Economic Club, Leavitt said contractors will be required to have electronic systems for medical records. He also said hospitals must publish information about health outcomes and charges so consumers and employers can find results and costs.

Leaders of Detroit automakers endorsed the cornerstone requirements. The Health Council is helping businesses meet the goals with its "Save Lives, Save Dollars" initiative. **Leavitt later met in Lansing with Gov. Jennifer Granholm. She said Michigan is close to an agreement to allow the state to provide health insurance to 550,000 uninsured people.**

Granholm needs federal permission to use \$400 million earmarked for other health programs to expand health insurance to working families who do not qualify for Medicaid. The \$1-billion program would use some of the money to help small businesses create employee insurance pools.

Leavitt opposes a federal health system like Canada's, which he said would lead to longer waits for care, higher taxes and discontent. **He wants to replace subsidies for care of poor people to help states insure the uninsured.**

COST OF SUBSIDY IN STATE HEALTH PLAN A CHIEF ISSUE - 1.29.07 Gongwer News (per B. Wood e-mail)

Money is a crucial piece still being negotiated with federal officials as the Granholm administration seeks a Medicaid waiver to support its plan offering health care benefits to some 550,000 now-uninsured persons. U.S. Health and Human Services Director Mike Leavitt and Governor Jennifer Granholm, who met on that topic and the Bush administration proposal to offer tax deductions for the purchase of health care coverage, said there is otherwise broad agreement on the goals and coverage provisions of **the proposed Michigan First Healthcare Plan.**

Ms. Granholm, emerging from the meeting with Mr. Leavitt, said of the negotiations: "We're not quite there yet, but we hope in the near future we can have an announcement."

Mr. Leavitt, who reiterated the Bush administration's goal of partnering with states to make sure health care is accessible to more households, said the first goal is to define a basic health care plan. "The governor's plan does that skillfully," he said. But he added **the issue is how to cover access to those who cannot afford even the basic plan, "and we're working on the details of subsidizing that."**

Ms. Granholm said the issue of who pays for what is the most difficult aspect of the negotiations, adding she is looking at what other states have done in that regard. She said part of the lure of such a proposal is that over time Medicaid costs – for both the federal government and the state – will decline as more families have access to basic health care.

Businesses Endorse Overhaul of Nation's Health Care System, Wary of State Efforts

From Cover The Uninsured Week update 1.31.07 per [AP](#), 1/20/07; [NYT](#), 1.25.07

Corporate America is traditionally reluctant about government stepping into the health care arena, but, confronted with soaring costs, businesses acknowledge change is needed, although they are cautious about new state proposals, reports the New York Times.

Corporate America is traditionally reluctant about government stepping into the health care arena, but, confronted with soaring costs, **businesses acknowledge change is needed, although they are cautious about new state proposals**, reports the *New York Times*. "There is more frustration and less acceptance of the current system among employers than we have ever seen in my 30 years in this field," said Helen Darling, president of the National Business Group on Health. American companies are losing out to foreign businesses not saddled with health care costs due to government-provided coverage. "Health costs are the single largest cost pressure that employers face," said John J. Castellani, president of the Business Roundtable. He said that voters want government to address the problem. H. Lee Scott, chief executive of Wal-Mart, the nation's largest employer, said, **"It is going to take businesses working with leaders in government, the health care industry and others to come up with health care solutions."**

As a starting point, according to the article, the nation's employers -- "the glue holding the nation's piecemeal health care system together for half a century" -- recommend expanding the federal-state-funded State Children's Health Insurance Program to cover the more than 8 million uninsured children. Next, they recommend covering the 4 million uninsured college students, followed by the 1.4 million uninsured in households with an income of **at least \$75,000 (EDITOR'S NOTE: ??? Typo?)**. Charles N. Kahn III, president of the Federation of American Hospitals, said that the nation's complex health problems would not be solved quickly. **Businesses, especially smaller companies, "are wary of a crop of new state health care proposals" designed to reduce the number of uninsured, reports the Associated Press. They are concerned that efforts in Maine, California, Massachusetts and other states will drive up their expenses and still not solve the problem.** For example, under the California proposal, businesses with 10 or more employees must offer coverage to workers or pay 4 percent of their payroll into a state fund, which many small businesses would find hard to afford. Such policies could have "unintended consequences such as stalling growth," according to Michael Shaw of the National Federation of Independent Business.

ACCESS website sources with new information, reports:

***Cover the Uninsured Week 2007* www.CoverTheUninsured.org**

Start planning for *Cover the Uninsured Week*, **April 23-29, 2007!** Mark your calendars and plan how you and your community can help get America's more than 46 million uninsured -- including 8.3 million children -- covered.

Cover the Uninsured Week 2007 will focus on covering kids as an important first step toward covering all Americans. Congress must reauthorize the State Children's Health Insurance Program (SCHIP) this year and has the opportunity to make it stronger. Public programs such as SCHIP and Medicaid currently provide coverage to millions of children -- children who otherwise wouldn't be able to get the care they need.

Cover the Uninsured Week 2007 will spotlight the value and success of SCHIP in activities leading up to and during the Week. The Week will mobilize its broad network of active citizens and organizations to:

- celebrate the success of SCHIP;
- demonstrate the need to reauthorize SCHIP and ensure that it will cover more of the 8.3 million uninsured children; and
- continue to press for solutions for all uninsured Americans.

Alliance for Advancing Nonprofit Health Care, www.nonprofithealthcare.org/ -- 1.22.07

New Report on State Health Coverage Initiatives

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