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## Access to Health Care News Monthly Update – 6.4.07:

(Note: Pertinent Access to Health Care related materials are highlighted in **RED** in longer sections for quick reading)

### State Prescription Drug Discount Card Saves Citizens Millions

Michigan News Wire 5.4.07

A recent review conducted by the Michigan Department of Community Health (MDCH) indicates that **citizens enrolled in the state's prescription drug discount card program save a cumulative total of \$2 million annually**, thanks to the card's wide acceptance at pharmacies across Michigan. Introduced by Governor Jennifer M. Granholm in October 2004, the MiRx card is designed to benefit residents who do not have any prescription drug coverage. Currently, the state's MiRx card has more than 41,000 citizens enrolled, with combined savings of more than \$130,000 per month - at no cost to the state. In 2006, those citizens saved two million dollars last year, thanks to the free discount card, Granholm said.

The program - the largest of its kind in the nation - is unique because it does not target a specific age group. Any citizen that meets the following criteria is eligible to save money on prescription drugs in the MiRx program must be a resident of the State of Michigan, have no other prescription drug coverage, have an income level at or below the state's median income level (example: Median Income Level for a family size of four is \$56,550, family of two is \$37,470). Citizens can save up to 25 percent off of their prescription drug bills, and there is no fee to enroll or use the MiRx discount card. Plan members can use their discount prescription card at more than 2,300 pharmacies statewide, including all major chains and some mail order pharmacies. Toll-free hotline: 1-866-755-6479, [www.michigan.gov/mdch](http://www.michigan.gov/mdch).

### Delta Dental Gives \$250,000 to MDCH for Fluoride Program for Low-Income Kids

State News Network – 5.10.07

Delta Dental of Michigan (Delta Dental) has given the Michigan Department of Community Health (MDCH) a grant of \$250,000 to launch Varnish! Michigan, a program that will provide applications of fluoride varnish on the teeth of up to 22,000 children enrolled in Early Head Start and Head Start programs around the state.

The goal of Varnish! Michigan is to provide early intervention to prevent or reduce dental disease among low-income children aged birth to five. Varnish! Michigan is expected to reduce decay between 48 and 60 percent in this group of children. Thomas J. Fleszar, president and chief executive officer of Delta Dental, said regular applications of fluoride varnish have proven to be one of the most effective measures to prevent or reduce dental decay.

According to the National Institutes of Health, tooth decay is the single most common chronic disease among children - five times more common than asthma and seven times more common than hay fever. In Michigan, 20 percent of children bear 80 percent of the disease burden; these are the children with little to no access to dental care. Nearly one in 10 third grade children in the state have immediate dental care needs with signs or symptoms of pain, infection, or swelling.

MDCH will administer the program through the use of competitive grants, with priority given to Early Head Start programs because intervention at the youngest ages is considered most beneficial. Grantees will be selected from non-profit agencies, local public health departments, and federally qualified health centers. Grants are expected to be awarded this summer. In addition to the fluoride treatment, the program will include caregiver oral health education and **assistance to families in helping them find a dental home**.

## **Business Forms Coalition to Advance Health Care Reform**

PR Newswire, 5.7.07

WASHINGTON -- Today, nearly 40 of the nation's top business leaders and largest employers joined forces to announce the formation of the Coalition to Advance Healthcare Reform (CAHR). Standing shoulder to shoulder with lawmakers at a Capitol Hill press conference, they discussed the coalition's core principles, its mission and called for meaningful federal and state policy reforms by 2009 to solve the nation's healthcare crisis.

"As major employers, we are engaging in one of the most crucial domestic policy debates of our time -- fixing our nation's health care crisis, reducing out of control costs and ensuring every American has affordable healthcare," said Safeway CEO and CAHR chairman Steve Burd. "We are committed to being part of the solution and working together with all stakeholders to act now in solving a problem that threatens the future health of our nation and economy."

At the current growth rate, health care costs will be 22 percent of the United State's gross domestic product by 2015, which will negatively impact the competitiveness of U.S. businesses in the global marketplace and be detrimental to American workers. By next year, the average Fortune 500 firm will have a healthcare bill that exceeds its net income. And today, 47 million Americans are living and raising their families without health insurance. CAHR is a working coalition of business leaders and employers committed to solving this problem by advancing a set of five core principles to guide and shape state and federal policies. Specifically, the coalition believes the foundation of any reform must be based on the following: Market-Based Healthcare System; Universal Coverage with Individual Responsibility; Financial Assistance for Low-Income Individuals; Healthier Behavior and Incentives; Equal Tax Treatment.

CAHR's approach to health care reform centers around taking immediate action at the state and national level to engage with all stakeholders to enact market-based reforms to solve the health care crisis. CAHR has brought on board America's leading businesses as well as a team of nationally recognized professionals, including Jack Quinn and Ed Gillespie, to manage the organization. In the coming weeks and months, CAHR will be actively engaged in policy discussions at the state and federal level. The business community can, and should be, in a leadership position to advance market-based solutions that reverse rising health care costs, solve the problem of the uninsured and dramatically improve the quality of care for every American.

Nearly 40 companies have signed up as initial members of the coalition and that number is expected to grow in the coming weeks. The full membership list includes: Aetna, Inc., Alex Lee, Inc., Blue Shield of California, Bumble Bee Seafoods, LLC, C&S Wholesale Grocers, Inc., Cigna HealthCare, The Clorox Company, CVS/Pharmacy Corporation, Del Monte Foods, Eli Lilly and Company, General Mills, Giant Eagle, GlaxoSmithKline, H.J. Heinz Company, Illinois Tool Works, Inc., Jax Markets, Kaiser Permanente, Kimberly-Clark Corporation, Kohlberg Kravis Roberts & Co., Kraft Foods, Inc. The Kroger Company, Longs Drugs, McKesson Corporation, Medtronic, Inc., Norfolk Southern Corporation, PacifiCare, A United Healthcare Company, Pacific Gas and Electric Company, PepsiCo, Inc., Playtex Products, Inc., Price Chopper, Raley's, Safeway Inc., Supervalu, The J.M. Smucker Company, United Supermarkets, Ltd., Wm. Wrigley Jr. Company.

CAHR's website address is <http://www.coalition4healthcare.org>.

### **OPINION: Ethicist Calls the U.S. Health Care System Dysfunctional**

Source: Cover the Uninsured from [Associated Press](#), 5.15.07

In an essay in the Journal of the American Medical Association, Dr. Ezekiel Emanuel, a leading ethicist at the National Institutes of Health, called the nation's health care system "a dysfunctional mess," reports the Associated Press. Emanuel, a supporter of "sweeping" health care reform, noted that American life expectancy ranks 45th in the world and its infant death rate is higher than that of most developed nations, despite spending \$6,000 per person per year on health care--more than any other country spends. "If a politician declares that the United States has the best health care system in the world today, he or she looks clueless rather than patriotic or authoritative," he wrote. Emanuel supports phasing out Medicaid, Medicare and employer-sponsored health insurance and giving all Americans a basic insurance package that is funded by a value-added tax of about 10 percent on businesses. People could opt to upgrade coverage.

### **Health Care Should Be the Focus of 2008 Election, Thompson Says**

Source: Cover the Uninsured from [Des Moines Register](#), 5.18.07

Republican presidential hopeful Tommy Thompson, a former governor of Wisconsin and health and human services secretary during President Bush's first term, said **he wants health care to be the focus of the coming presidential election**, reports the *Des Moines Register*. "We've gone through two presidential debates, and not one question was asked about health care or education," Thompson said. "I want to make health care the dominant issue." **Thompson said that the uninsured are expensive because they often postpone care and end up getting costly care in the emergency room. However, he does not support national health care. Rather, he would put all uninsured Americans into an insurable group for insurers around the country to bid on.**

## **Dramatic Cost Discrepancies Revealed in Investigation of Drug Prices Statewide**

Michigan News Wire – 5.17.07

LANSING - An investigation of prescription drug prices by Attorney General Mike Cox revealed staggering **cost differences between identical prescription drugs across the State, including price differences of more than \$100 within a community for the same dosage of the same drug.**

During the week of May 7-11, 2007, Attorney General investigators surveyed 200 pharmacies in 10 different communities across the State. Cox's team investigated the prices of 11 commonly prescribed drugs that do not appear on the Department of Community Health's (DCH) drug-price website, which only provides pricing information for 30 drugs. The communities surveyed included Detroit, **Marquette/UP**, Flint area; Saginaw/Bay City area; Troy; Kalamazoo area; Lansing area; Grand Rapids; Warren; and the Traverse City area.

"It's a tragedy that Michigan does not have a broad-based, user-friendly, interactive drug-cost website. The people of Michigan are the ones who are, quite literally, paying the price," said Cox. "The results of our investigation are staggering. A senior in Detroit could pay as much as \$102.00 more for the identical prescription drugs only a matter of miles apart; a consumer in Traverse City could pay as much as \$128.00 more for identical drugs; and a consumer in Lansing could pay as much as \$98.99 more for identical drugs in Lansing. The drugs we surveyed are all commonly prescribed drugs, none of which are listed on the DCH website. In fact, the DCH website has no drugs listed to treat a number of diseases that commonly afflict seniors, such as diabetes, osteoporosis, cancer, or Alzheimer's. An expanded 150 drug website is long overdue."

The drug survey investigation follows a previous round of surveys conducted during January, February, and May of last year. Both in Lansing and across the State of Michigan, prices for the 11 surveyed drugs varied greatly. i.e. -- Lansing: Ambien cost \$188.99, 11 miles away the same drug cost only \$90, a difference of \$98.99; Detroit: Ambien cost \$178, less than 5 miles away the same drug cost \$80, a difference of \$98; statewide: Avandia cost \$300, the same drug could be found as low as \$171.20, a difference of \$128.

"Other states, such as Minnesota, New York, and New Jersey, list 150 or more drugs on their drug-pricing websites. That added information gives their consumers the ability to save money on a wide variety of prescriptions - not just 30," said Cox. "The DCH drug pricing website needs to increase the number of drugs listed from 30 to 150 so that Michigan consumers can spend their healthcare dollars more effectively. And other states do a much better job of marketing their websites. Florida's site saw more than 220,000 visitors its first year. New York State's website attracted half-a-million hits its very first day, and averages almost 200,000 visitors a month.

"More than 1.1 million Michigan citizens are uninsured. This information can help seniors, the uninsured, the underinsured, and consumers save money immediately. According to states that have broad-based drug-cost websites, consumers saved an average of \$17.36 per prescription. For the average senior with four prescriptions, that's a yearly savings of more than \$833.00. I call on the department to help seniors and consumers by expanding the drug website," Cox concluded. Results of the drug survey are available at [www.michigan.gov/ag](http://www.michigan.gov/ag).

## **Study Quantifies How Much More the Uninsured Pay for Hospital Care**

Source: Cover the Uninsured, from [Los Angeles Times](http://www.losangelestimes.com), 5.8.07

A study from Johns Hopkins University found that **hospitals bill uninsured patients two and a half times more, on average, than what the insured are billed through their health plans and more than three times what patients are billed through Medicare**, reports the *Los Angeles Times*. "In effect, the uninsured are billed at full price, while health plans and Medicare receive deep discounts," the article explains. Health plans can negotiate discounts because of the large number of patients they direct to certain hospitals, while uninsured patients "do not have such leverage." The result, however, is that the uninsured "are left with exorbitant bills that are impossible to pay," said Gerard F. Anderson, an author of the study, which was published in *Health Affairs*. **Hospital groups criticized the study, which was based on 2004 data, saying that since then they have "provided billions of dollars in free and discounted care for**

the uninsured." Such discounts are usually voluntary, the article reports. Anderson said that millions of the uninsured still face full hospital prices.

## Illinois Plan to Cover All Residents by Raising Taxes Meets With Opposition

Source: Cover the Uninsured, from [New York Times](#), 5.5.07

Illinois Democratic Governor Rod Blagojevich's [plan to fund comprehensive insurance coverage in his state with a new tax "has created outrage" among businesses and some others](#), reports the *New York Times*. Though Democrats control the state's General Assembly, some prominent Democrats oppose the plan, including Blagojevich's former running mate, Lt. Governor Pat Quinn, and civil rights leader Reverend Jesse Jackson, because of its impact on business. "We all want health care, but business closure is not good health," said Jackson. Some businesses have threatened to leave the state if the tax goes into effect, and the Illinois Chamber of Commerce has started a campaign against both the health care initiative and the tax. "National health care advocates are not surprised by the backlash," the article reports, noting the difficulty states have in passing their own health reform plans in light of federal inaction. The Illinois initiative, called Illinois Covered, "would be among the most comprehensive in the country," offering wellness training, streamlined administration and attention to chronic disease. "You could say it's 'courageous' or you could say it's 'not politically feasible,' but many who look at state reforms say the key is, 'is the financing adequate?'" said Diane Rowland of the Kaiser Commission on Medicaid and the Uninsured. A study by Kenneth E. Thorpe, chairman of the Department of Health Policy and Management at the Rollins School of Public Health at Emory University, found that "the savings generated by revamping the system would be significant."

## AG Cox, Senator Kahn Announce Prescription Drug-Cost Website Legislation

Michigan News Wire – 5.22.07

LANSING - Attorney General Mike Cox today joined Senator Roger Kahn (Saginaw Township) at the State Capitol to announce [new legislation to create an expanded prescription drug website that will provide the costs of 150 of the most commonly prescribed drugs in Michigan and their generic equivalent](#).

The proposed legislation sponsored by Senator Kahn will expand the current prescription drug website from a mere 30 drugs to at least 150 drugs. The current website fails to include any drugs that treat major diseases such as diabetes, osteoporosis, Alzheimer's or cancer. Michigan currently lags behind many other states with prescription drug websites, including New York (150 drugs), New Jersey (150 drugs), Florida (100 drugs), and Minnesota (200 drugs).

"This simple idea can help a family or a senior save hundreds of dollars a year on the cost of prescription drugs. Multiplied across Michigan, it could help thousands of Michigan families every week, every month, every paycheck, every social security check," said Cox. "The Department of Community Health has the price information, but up until now they have shared only a limited amount with the public. This legislation will solve that problem. [The people facing the biggest budget crunch in Michigan today are seniors and parents, the uninsured, and the unemployed.](#)"

"A survey of Michigan AARP members showed that prescription drug prices are their major healthcare cost concern. That's why the ability to comparison shop via the Internet is so crucial," said Bill Knox, association state director for government affairs for the AARP Michigan.

## A helping hand for health care

Detroit Free Press – 6.4.07

Skyrocketing insurance rates and the sluggish economy have made it virtually impossible for small-business owners such as Cynthia Pajkic to offer employees health care benefits. Now, the 22 employees at her Magic Touch Salon and Spa in St. Clair Shores are eligible for reduced-cost coverage, thanks to [a new tax-subsidized program for small employers in Macomb County](#). Counties across Michigan -- including Macomb and Wayne -- are trying to make health care benefits affordable for lower-wage workers and small businesses that don't provide such coverage to their employees. The plans come at a time when more than 450,000 residents in Wayne, Oakland and Macomb counties are uninsured even though many of them are employed. In Michigan, more than 1.1 million residents, or 11.3% of the population, are uninsured, according to the U.S. census.

So far, 100 employees at 19 businesses in Macomb County have taken advantage of its plan, which was announced in May. And because most of the county's 2,100 small businesses don't offer insurance, county officials expect many more to enroll once workers learn about the plan.

Additionally, nearly 3,700 employees at 641 businesses in Wayne County are enrolled in a similar program that has been available since 1992. However, Oakland County officials dropped a similar plan earlier this year.

"When you are a small company the way the economy is right now, you struggle," said Vickie Hertel, executive director of [Health Choice of Michigan, the nonprofit group that administers the plan](#). "We are trying to make sure that everyone we can help has health care benefits."

The plans are intended to target restaurants and day care centers -- small employers that often don't provide insurance. That's because people without insurance often end up costing taxpayers more in the long run because a lack of preventive care can lead to more expensive care later when health conditions worsen.

Nine out of 10 employers in Macomb County employ fewer than 200 people, the threshold to be eligible for its plan. In addition, at least 50% of the workers must make \$14 an hour or less.

[Under the plan, employees, employers and a nonprofit county group, Macomb Health Plan, each pay a third of the benefits package](#). For Magic Touch's Pajkic, that amounts to about \$80 for each employee per month.

"It's worth it to me because it gives the employees a peace of mind that they are insured," Pajkic said.

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