



Access to Health Care News Update – 9.4.07

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

Health coaches aid workers with chronic medical issues

Free Press – 8.21.07

Since suffering two heart attacks within one week in April 2006, Dearborn resident Roland Klekner lost 47 pounds, cut his prescription medications from 11 to zero and reduced his body mass index from a clinically obese 31 to a healthier 26.

Klekner, a supervisor in the industrial engineering department at UPS in Livonia, says he could not have done it without the support of his health coach, registered nurse Cathy Pardiny. The two phone regularly as part of UPS Healthy Connections-Informed Choices, a health management program the package delivery company began offering its employees and their families last year.

"Having the heart attack was something scary," said Klekner, 58. "To have Cathy there as support, giving me direction and hope in being able to achieve my health goals -- that was the main thing that kept me going and got me to achieve those goals."

Klekner, who has worked for UPS for 33 years, is one of 7,500 **UPS employees in Michigan eligible to connect with a health coach -- a registered nurse who offers advice on medication, nutrition, diet and other health concerns to employees with chronic conditions such as asthma, diabetes and coronary artery disease.** The service is available at no cost for all UPS employees, retirees and their dependents enrolled in a UPS-administered health plan.

UPS, the nation's third-largest employer with 360,600 employees, launched the program for nonunionized employees in April 2006 and extended it to unionized employees in February 2007. Atlanta-based UPS invested \$40 million to \$60 million to start the program, said Randall Price, UPS corporate health and productivity manager. After this year, the program will cost \$6 million to \$10 million annually to maintain.

Bush Limits Government Insurance for Kids

Wall Street Journal Health Blog – 8.21.07 (Posted by Jacob Goldstein)

President Bush has repeatedly promised this summer to veto Congress's planned expansion of government-funded insurance for kids. Now the White House is taking the fight to the states. The administration's argument is the same in both cases: The State Children's Health Insurance Program, or SCHIP, shouldn't be offered to children whose families may be able to afford private insurance.

Many states offer SCHIP to children whose families earn up to \$51,600 for a family of four, or 250% of the poverty level. And 18 states and the District of Columbia either already have higher caps than that or have recently passed laws to raise the caps, in an effort to insure more children, the Washington Post reports.

But in a letter that went out late Friday (and was widely reported in this morning's papers), the White House charts a course that would make it impractical if not impossible for states to offer SCHIP to families whose income puts them at more than 250% of the poverty level.

Under the rules described in the letter, any state that wanted to extend coverage beyond that cap would have to demonstrate that in the higher income bracket it seeks to cover, the number of privately insured children hasn't dropped more than 2% in the last five years, the WSJ reports. And the state would already have to cover 95% of the children in families whose incomes are below 200% of the federal poverty level — a target no state has hit, according to the New York Times.

"The program was always meant for children in lower-income families," Dennis G. Smith, the director of the federal Center for Medicaid and State Operations and the author of the letter, told the Times. Higher income limits make the program "more likely to substitute for private coverage," Smith said.

The Part-Time Daredevil With Shiny Teeth

Wall Street Journal Health Blog – 8.21.07 (Posted by Joseph Mantone)

The Health Blog would think that even the most naïve MySpace user would be leery of an advertisement for insurance plans called "Thrill Seeker," "Part-time Daredevil" or "Calculated Risk Taker."

But WellPoint has been promoting the plans — which fall under the company's [Tonik program](#) — on the social-networking site and says they've helped boost new policy sales. The plans are part of a trend among insurers to tailor packages for young adults, the fastest-growing population of uninsured Americans, WSJ's M.P. McQueen reports.

Companies are expanding the offerings for individuals in part because of the dwindling share of employers — especially smaller companies — offering health benefits.

Although this type of plan could help fill some of the insurance gap, some take issue with the insurers' motives. The plans are being offered in states that have looser regulations that allow insurers to choose the healthiest people as customers. "The Tonik program is specifically designed to create a significant profit for the insurance company," says John Garamendi, California's lieutenant governor and former insurance commissioner. "It is designed to cover everything that a 19- to 34-year-old is not going to need. That happens to be the principal childbearing age, and it doesn't cover pregnancy," he says.

The plans can offer limited benefits and they often come with high deductibles. However, the monthly payments can be inexpensive. Humana packages start at \$26 a month. And while the plans may not cover brand-name drugs, they can include benefits such as teeth whitening and gym-membership discounts because insurers say many young people are concerned with looking good.

U.S. Issues New Rules for Kids' Health Insurance

NPR, Morning Edition, 8.22.07 Listen: <http://www.npr.org/templates/story/story.php?storyId=13849553>

When Congress returns next month, one of its top priorities will be to complete work on legislation to renew the popular state children's health insurance program, known as S-CHIP. Late last week, however, the Bush administration decided to make its own changes to the program — in advance of Congressional action. Officials in states affected by the changes are not pleased.

OPINION: Congress Should Follow Senator Hatch's Lead

Source: Cover the Uninsured, from Salt Lake Tribune, 8.18.07

Senator Orrin Hatch (R-Utah) has worked for years to ensure that low-income families have access to health care, particularly through the State Children's Health Insurance Program (SCHIP), according to a commentary in the *Salt Lake Tribune*.

"Fortunately for America's children," [Senator Hatch is likely to be appointed to the SCHIP conference committee, which was created by both houses to resolve disagreements on SCHIP bills passed by the U.S. House and Senate earlier this month.](#) The commentary states that there are notable differences between the House and Senate versions of the bill, but provisions should be made to reconcile differences between the two. [According to the commentary, SCHIP is "too important to be defeated by irrational fears of socialized medicine or a lack of understanding of the benefits of investing in the health of our kids."](#)

OPINION: President's Threatened Veto Would End Coverage for Some Children

Source: Cover the Uninsured, from Pittsburgh Tribune Review, 8.19.07

The State Children's Health Insurance Program (SCHIP), signed into effect in 1997, has been a "clear success" in the last 10 years. By threatening to veto legislation that would expand the program, President Bush is allowing children to be dropped from the program, according to a commentary in the *Pittsburgh News Tribune*.

According to a May Congressional Budget Office (CBO) report, SCHIP has reduced by 25 percent the number of uninsured children from families with incomes between 100 percent and 200 percent of the federal poverty level. [If the Bush administration adds only \\$1 billion a year to the program, as is currently proposed, thousands of children would lose SCHIP coverage.](#) The Bush administration fears that a proposed expansion "essentially extends a welfare benefit to middle class households." However, [the CBO report shows that 85 percent of the children who would gain insurance under both Congressional bills are from families who are near poverty or already eligible under current guidelines.](#)

State health standards for kids upheld in settlement

Free Press – 8.23.07

The state and several child advocacy groups have reached a settlement in an eight-year-old federal lawsuit against the state Department of Community Health that [will increase reimbursement rates to doctors and dentists who treat poor children and expand access to the Medicaid program.](#)

The settlement, approved last week by U.S. District Judge Robert Cleland, would preserve improvements already put in place by the department, Jennifer Clarke, executive director of the Public Interest Law Center of Philadelphia, said Wednesday. Clarke's organization sued the state in 1999 with other parent and medical groups.

["We welcome this settlement as an opportunity to improve the delivery of medical and dental care to the more than 1 million children in the state enrolled in Medicaid,"](#) said department Director Janet Olszewski. [Only a quarter of those children receive preventive dental care.](#)

Clarke said the settlement guarantees that a Medicaid program expanding dental services for poor children to 59 Michigan counties -- up from 22 -- continues. The settlement also locks into place a reimbursement increase to 47% of the normal cost of the services doctors render unto poor children, Clarke said.

OPINION: SCHIP decision will hurt children

Free Press Editorial – 8.23.07

The State Children's Health Insurance Program is not the ideal way to provide health care coverage for more kids in this country.

Maybe there's a market-based solution. Maybe a different kind of government program would work better. Or, dare to dream, there could be an as-yet un-proposed miracle solution out there. But that's all theoretical, while SCHIP is real, in place, and in every participating state, has delivered for huge swaths of uninsured families.

So it would be nice if the Bush administration, rather than trying to undermine the program's expansion while crowing about the need for unspecified alternatives, was instead working seriously with states to make SCHIP more effective. As it is, the White House is allowing its philosophical objections to keep needy children from being able to see a doctor.

Public policy couldn't get any more shortsighted, or cruel. Last week, the administration effectively dashed the hopes of several states that were planning to expand their SCHIP programs.

A federal Medicaid administrator said any state that wants to expand eligibility beyond families below 250% of the federal poverty level (about \$20,000 a year) would have to meet participation standards that no state has ever come close to. The idea, according to a federal Medicaid administrator, is to keep SCHIP from acting as a substitute for families that can afford private coverage.

Again, in theory, that's not a ridiculous stance to take. People who can afford insurance *should* buy it, and not rely on the government.

But as a practical matter, affordability means something different in, say, New York than it does in Michigan. It means one thing in California, and another in Idaho.

So several states with relatively high costs of living have proposed raising their SCHIP eligibility to include families with incomes as much as four times the federal poverty level, or about \$86,000.

Sounds high, but anyone who has ever tried to live in California or New York or New Jersey on that kind of cash can tell you that a family of four in that income range would, indeed, have a terrible time affording \$12,000 to \$15,000 in yearly health insurance premiums.

The theory that SCHIP would be a substitute for private coverage for these families wilts in the light of practical reality.

In Michigan, where the budget crunch has everyone talking about reductions instead of expansions, the Bush administration's policy will have no direct effect. But nationwide, in the states that proposed broadening SCHIP, the result of the decision will be palpable. It will mean more uninsured children -- period.

Congressional Democrats could, and should, override the policy. States should continue to experiment with ways to help families that can't afford insurance.

But the most important change, an administration that understands the dire need to get insurance for more people, and children in particular, is further off -- say, January 2009.

'Rogue pharmacies' booming online source for drugs

Associated Press – 8.23.07

CHARLESTON, W.Va. -- Drug shipments from **illegal online pharmacies** were once so frequent in Appalachia that delivery companies had to add trucks to their routes.

Police have cracked down on such deliveries but are still confronted by a booming global network of so-called rogue pharmacies operating online.

For people addicted to prescription medications like the painkiller hydrocodone _ sold mostly as Vicodin _ the days of "doctor shopping" are over, as long as they have Internet access. With the help of unscrupulous doctors and pharmacists, hundreds of Web sites dispense prescription

narcotics to customers in exchange for nothing more than a credit card number.

Even as law enforcement agencies and state governments respond, rogue pharmacies continue to grow, filling hundreds of prescriptions a day, according to a recent study by the National Center on Addiction and Substance Abuse at Columbia University.

The Drug Enforcement Administration, which reported the additional parcel delivery trucks in southeastern Kentucky, says **about 95 percent of products sold by online pharmacies are controlled substances. By comparison, controlled substances amount to roughly 11 percent of the dosages dispensed by legitimate pharmacies.** The DEA found that 34 rogue pharmacies dispensed more than 98.5 million dosage units of hydrocodone products last year _ enough to give 410,000 patients a one-month supply.

Congress is considering legislation that would clarify federal law on Internet pharmacies and increase penalties for selling pharmaceuticals to minors.

The Web sites approach doctors, often those who are in debt or retired and are seeking extra income. The doctors write prescriptions after they review online questionnaires filled out by customers. They are usually paid between \$10 and \$25 for each prescription.

The sites approach small pharmacies and persuade them to fill the prescription and ship the pharmaceuticals to the customers. The Web sites target pharmacies struggling to make ends meet, and usually pay an additional fee on top of the cost of the medication.

Prescription drugs can legally be ordered online, but rogue pharmacies ignore the rules that legitimate pharmacies follow, like requiring a doctor-patient relationship and getting a certification from state boards. The difference between legitimate and rogue pharmacies can be confusing.

To make the distinction clearer, the National Association of Boards of Pharmacy has created **a voluntary verification process for online pharmacies to establish that they comply with the law and only ship prescriptions to patients who have been examined by doctors.** So far, 13 sites have received verification, including those by Walgreen Co. and CVS Caremark Corp.

In May, the National Center on Addiction and Substance Abuse identified 581 Web sites that offer controlled prescription drugs, compared with 492 in 2004. Both the center and the DEA say it's impossible to know exactly how many such sites there are, with estimates ranging from a few hundred to more than 1,400. Experts warn that the sites are dangerous not only because they can be used to feed addictions, but because customers often don't know what they're getting. Ninety-one of the anchor sites identified by the center were located outside the United States, where there are often different safety standards for medicine.

Other states passing laws to address online pharmacies include Idaho, Wisconsin, Arkansas and Texas, according to the National Conference of State Legislatures.

Doctors to Patients: Don't Slam Us Online Without Permission

Wall Street Journal Health Blog – 8.23.07 (Posted by Jacob Goldstein)

Next time you go to the doctor, look for a new form buried in the stack of insurance and health-history paperwork you're asked to complete. You might find **a contract that would require you ask your doctor for permission to grade him or her online.**

It's the brainchild of Medical Justice, a company that already provides doctors with contracts to discourage patients from filing frivolous lawsuits and to agree to use only board-certified expert witnesses if they do go to court. The ratings-permission contract is offered to doctors who pay Medical Justice's annual fee, which ranges from \$625 to \$1,800, depending on specialty and location. The company offers a range of services to help doctors defend themselves against lawsuits.

The Health Blog recently saw an ad for the ratings' service form on one of our favorite blogs [KevinMD](#). Intrigued, we called Jeff Segal, the neurosurgeon who runs the company, based in Greensboro, N.C. "The whole notion of your reputation on the line and not having control makes physicians feel vulnerable," he told the Health Blog. "The goal is to regain control of the flow of information."

About a third of the 1,600 doctors who pay Medical Justice's annual fee have asked for the online-review contract since the company started offering it earlier this year, Segal said.

He's not opposed to rating doctors based on large pools of data, but he criticized Web sites that allow individual patients to write negative, anonymous reviews of their doctors — notably [RateMDs.com](#), which boasts more than 300,000 reviews of more than 100,000 doctors. The ratings on RateMDs are anonymous — but if a doctor had all patients sign the contract, it might be possible to force a Web site to take down an anonymous posting, Segal said.

U.N.: Diseases spreading faster than ever

CNN – from Reuters – 8.23.07

GENEVA, Switzerland -- **Infectious diseases are emerging more quickly around the globe, spreading faster and becoming increasingly difficult to treat**, the World Health Organization (WHO) said on Thursday.

In its annual World Health Report, the United Nations agency warned there was a good possibility that another major scourge like AIDS, SARS or Ebola fever with the potential of killing millions would appear in the coming years.

"Infectious diseases are now spreading geographically much faster than at any time in history," the WHO said. Since the 1970s, the WHO said, new threats have been identified at an "unprecedented rate" of one or more every year, meaning that nearly 40 diseases exist today which were unknown just over a generation ago. During the past five years alone, WHO experts had verified more than 1,100 epidemics of different diseases.

It warned that global efforts to control infectious diseases have already been "seriously jeopardized" by **widespread drug resistance**, a consequence of poor medical treatment and misuse of antibiotics. This is a particular problem in tuberculosis, where extensively drug-resistant (XDR-TB) strains of the contagious respiratory ailment have emerged worldwide.

"Drug resistance is also evident in diarrhoeal diseases, hospital-acquired infections, malaria, meningitis, respiratory tract infections, and sexually transmitted infections, and is emerging in HIV," the report declared.

It said all countries must share essential health data, such as virus samples and reports of outbreaks, as required under international health rules, to mitigate such risks.

Safety Guru Backs Medicare on Hospital Errors

Wall Street Journal Health Blog – 8.23.07 (Posted by Jacob Goldstein)

Medicare's recent decision to stop paying hospitals for some conditions related to hospital errors is "a loud and, many would say, long-overdue wake-up call for American hospitals," Lucian Leape writes this morning in a Boston Globe op-ed.

The mellifluously named doctor — a Harvard health-policy wonk who has pushed for safety reforms in medicine — writes like a man who has long been screaming at the tide. He argues that, in the eight years since he co-authored the Institute of Medicine's influential report on medical errors, a few hospitals have taken major steps to improve patient safety, but "most have not."

"It was as if the safety folks were speaking a foreign language," he writes. "Now the hospitals are being spoken to by people with authority and in a language they understand: the language of money." Even the best hospitals may not be able to always prevent certain conditions, such as patient falls, on Medicare's no-pay list, Leape acknowledges. But, he writes, "there is no reasonable way to make exceptions to the new policy, so hospitals will have to live with it."

SCHIP -- Pairing Coverage Expansions with System Reform

The Commonwealth Fund analysis, Karen Davis, president – 8.23.07

Recent passage of bills in the House and Senate to extend the State Children's Health Insurance Program (SCHIP) became in part a debate over how best to reform the health care system. Despite widespread agreement on the need to ensure that all U.S. children have access to care, there were sharp divisions about the role of government and private markets in extending health insurance coverage and improving quality and efficiency in the health care system. In the end a stronger role for government prevailed in both the House and the Senate, but there are significant differences between the two bills to be worked out and the President has threatened to veto any bill that goes beyond his own proposal to extend SCHIP but restrict its coverage to poor and near-poor children.

The debate is a portent of the issues likely to emerge in consideration of universal health insurance coverage in the 2008 presidential campaign. The central issues include whether public programs such as SCHIP or private insurance are better vehicles for covering uninsured children in families with modest or middle-class incomes, whether coverage expansion should be coupled with system reform measures to improve quality and efficiency, and, if so, whether system reform would best come through incentives in the private market for health care or through stronger national leadership.

While our nation's political leaders are sharply divided, diverse health care opinion leaders throughout the health sector are largely in agreement both with the need to cover children under SCHIP up to three times the poverty level and for a strong federal government role in reforming the health care system to ensure quality, safety, and efficiency. Further, the general public seems to be in agreement.

Full text at: http://www.commonwealthfund.org/aboutus/aboutus_show.htm?doc_id=516751&#doc516751

Romney's Health-Care Two-Step

Wall Street Journal Health Blog – 8.24.07 (Posted by Joseph Mantone)

Mitt Romney is once again performing a delicate health-care dance. But this time the former Massachusetts governor is on the national stage, WSJ reports.

Romney, hungry for the Republican presidential nomination, is unveiling a plan to cover to the nation's roughly 45 million uninsured. His national strategy, however, represents a distinct departure from the one he used as governor to extend insurance in Massachusetts.

The national plan depends on tax incentives to spur more people to buy coverage and pruning regulations to lower health-care costs. In Massachusetts, mandates on businesses and individuals are the key.

Why the difference? "Massachusetts didn't have the federal tax code to play with," said Glenn Hubbard, a former Bush administration chief economist, now advising the Romney campaign. But the Massachusetts law has taken some hits from the right because of higher than expected costs.

Romney's federal prescription draws heavily from the 2005 book, *"Healthy, Wealthy and Wise: Five Steps to a Better Health Care System,"* co-written by Hubbard and praised by many conservatives. The planks of the new plan have been embraced President Bush and many Republican economists.

Hospital Charge Card: Don't Leave the Ward Without It

Wall Street Journal Health Blog – 8.23.07 (Posted by Theo Francis)

Hard up for health insurance and facing the knife? How about charging your surgery to a hospital credit card with some sweet terms?

Take a look at the [CarePayment](#) credit card, which can spread out interest-free payments for hospital charges over as many as 36 months. The card, offered with the participating hospital's brand, is the brainchild of closely held [Aequitas Capital Management](#), which says it has already signed up 20 hospitals.

The Health Blog can save you poring over some of the fine print. **There's no great philanthropic mission behind the card. Instead, it's a tool to increase the odds that patients without insurance will pay their tab.**

Behind the scenes, CarePayment gives hospitals 85 cents on the dollar, up front, for the most promising accounts, and collects a 2% servicing fee from the hospital for the rest. There is a catch for the hospitals: CarePayment bounces delinquent accounts back to them. CarePayment then gets its money back, and the hospital tries to collect as it normally would.

Aequitas tells the Health Blog the arrangement nets hospitals about 30% of what they billed. That's better than the 8% to 10% that hospitals typically recoup from the uninsured, says Jefferies hospital analyst Frank Morgan. But it's less than the 50% of charges that patients with insurance usually pay on their out-of-pocket costs. Overall, many hospitals may do as well or better on billings and collections on their own. But Aequitas says patients who opt for the charge card are among the least likely to pay otherwise.

Besides reducing billing hassles for the hospital, CarePayment gives patients more than the standard 180 days to pay their bills.

Romney looks to states to expand health care coverage

Associated Press – 8.24.07

BOSTON -- The nation's health care system should be overhauled through plans tailored to individual states, not through a federal government takeover, Republican presidential candidate Mitt Romney said Friday.

As Massachusetts governor, he signed a law aimed at helping people who lacked health insurance. He is trying to take an issue popular among Democrats and put a conservative spin on it.

"A one-size-fits-all national health care system is bound to fail. It ignores the sharp difference between states and it relies on Washington bureaucracy to manage," Romney said. **"I don't want the people who ran the Katrina cleanup to manage our health care system."** The government's role is to facilitate changes, not mandate them, Romney said during a speech before the Florida Medical Association.

Health insurance costs can be reduced by deregulating the insurance market, capping malpractice damages and making sure everyone is insured, Romney said. "The problem of the uninsured is a problem for all Americans," he said, because those who can pay for health insurance help foot the bill for those who cannot.

Instead of using federal money to reimburse hospitals for treating people without insurance, that money should be used to help low-income people buy insurance at a lower cost, Romney said.

"No more free rides," he said. "Everybody pays what they can afford."

More Money for Kids Insurance OK, but Confusing

Wall Street Journal Health Blog 8.24.07 (Posted by Jacob Goldstein)

Most people favor expanding a government health-insurance program for kids, but plenty of people across the political spectrum still aren't sure what to make of the issue, according to a poll from WSJ and Harris Interactive.

Congress and the president have been wrestling all summer over the expansion of the program, known as SCHIP. Both houses have voted for massive funding increases, which the president, who favors a much more modest funding bump, has promised to veto.

In the poll of 2,490 adults, 53% of all respondents supported the Congressional plans; 66% of Democrats, 42% of Republicans, and 60% of Independents supported the expansion. Overall, 34% of the respondents said they weren't sure which side they supported.

A notable detail: Cutting subsidies to privately managed Medicare plans, one Congressional proposal to fund part of the children's health expansion, proved unpopular in the poll, with 48% of respondents opposed and only 25% in favor.

Obesity Rates Climb in Most States

Associated Press – 8.27.07

WASHINGTON -- Loosen the belt buckle another notch America: Obesity rates continued their climb in 31 states last year. No state showed a decline.

Mississippi became the first state to crack the 30 percent barrier for adult residents considered to be obese. West Virginia and Alabama are just slightly behind, according to the Trust for America's Health, a research group that focuses on disease prevention. Colorado continued its reign as the leanest state in the nation with an obesity rate projected at 17.6 percent.

This year's report, for the first time, looked at rates of overweight children ages 10 to 17. The District of Columbia had the highest percentage -- 22.8 percent. Utah had the lowest percentage of overweight youth -- 8.5 percent.

Officials at the Trust for America's Health advocate for the government to play a larger role in preventing obesity. People who are overweight are at an increased risk for diabetes, heart problems and other chronic diseases that contribute to greater health care costs.

To measure obesity rates, Trust for America's Health compares data from 2003-2005 with 2004-2006. It combines data from three years to improve the accuracy of projections. The data come from a survey of height and weight taken over the telephone by state health departments.

Generally, anyone with a body mass index greater than 30 is considered obese. The index is a ratio that takes into account height and weight. The overweight range is 25 to 29.9. Normal is 18.5 to 24.9. People with a large amount of lean muscle mass, such as athletes, can show a large body mass index without having an unhealthy level of fat.

Michigan ranked 9th in national obesity report

Free Press – 8.27.07

Michiganders are gaining in girth, according to an obesity report released today. With 26.8% of the population considered obese, **Michigan's adult obesity rate ranks among the top 15 in the nation, tied for ninth place with Indiana and Oklahoma.**

The "F as in Fat" report is released by Trust for America's Health, a nonprofit organization that focuses on community health and disease prevention and looks at federal and state health policies.

Obesity rates either held steady or climbed across the country, with no states reporting drops and 31 states, including Michigan, reporting increases over the previous year's rate.

The good news for Michigan is that the state did not rank in the top 10 for overweight 10- to 17-year-olds. The District of Columbia had the highest percentage, 22.8%, of overweight adolescents.

To view the full report, go to www.healthymamericans.org.

Article: Rewarding Excellence and Efficiency in Medicare Payments

'In the Literature' – The Commonwealth Fund, 8.27.07

As the single largest payer for health services in the United States, **Medicare is in a unique position to provide a model of innovation for the nation.** In addition, as the baby boom population ages and health care costs continue to grow, Medicare faces enormous budgetary pressures. To best serve elderly and disabled beneficiaries and prove itself as a leader in achieving high performance, Medicare must align financial incentives with the dual goals of improving health care quality and efficiency.

In *Rewarding Excellence and Efficiency in Medicare Payments* (Milbank Quarterly, Sept. 2007), Commonwealth Fund President Karen Davis, Ph.D., and Stuart Guterman, senior program director for the Fund's Program on Medicare's Future, propose a new, blended payment strategy that would combine fee-for-service payments with payments based on episodes of care. **Such a system, they argue, would create incentives for providers to deliver both high-quality and efficient care.** See full document: http://www.commonwealthfund.org/usr_doc/Davis_Rewarding_Excellence_MilQtrly_Sept_08.pdf?section=4039

Census Bureau Report:

Income, Poverty, and Health Insurance Coverage in the United States: 2006

Census Bureau – 8.28.07

Introduction

This report presents data on income, poverty, and health insurance coverage in the United States based on information collected in the 2007 and earlier Annual Social and Economic Supplements (ASEC) to the current Population Survey (CPS) conducted by the U.S. Census Bureau. Data presented in this report indicate the following:

- Real median household income increased between 2005 and 2006 for the second consecutive year.
- The poverty rate decreased between 2005 and 2006.
- **The number of people with health insurance coverage increased between 2005 and 2006, as did the number and the percentage of people without health insurance coverage.**

Full report at: <http://www.census.gov/prod/2007pubs/p60-233.pdf>

Number of uninsured in Michigan up slightly in '06

Free Press – 8.28.07

The number of Michiganders without health insurance in 2006 rose slightly to 1.04 million from 1.03 million people in 2005, according to a U.S. Census Bureau report on health coverage. The latest figure represents an estimated 10.5% of the state's population.

Nationally, the number of Americans without health insurance increased to 47 million in 2006 compared to 44.8 million in 2005, according to the report. The survey, which uses the American Current Population Survey, found that the uninsured rate for the nation increased to 15.8% in 2006 from 15.3% in 2005.

The three-year average between 2004 and 2006, as reflected in the Bureau's report on Income, Poverty and Health Insurance Coverage, showed that the number of uninsured in Michigan was 1.06 million or 10.6% of the state's population.

The American Current Population Survey is the largest survey in the nation and produces the same in-depth socioeconomic data as the decennial census long form but on an annual basis. The data covers about 7,000 geographic areas, including all congressional districts and counties, cities and American Indian and Alaska Native areas that have populations of 65,000 people or more.

The Midwest had the lowest average rate of uninsured -- 11.4% -- during the three-year period, compared to 12.3% in the Northeast, 17.9% in the West and 19% in the South.

Separately on Tuesday, Forrester Research released a comprehensive report on the actual cost of health insurance for the uninsured.

Forrester, a technology and marketing firm based in Massachusetts, analyzed more than 100,000 individual and family health insurance policies in a report that breaks down the costs and benefits of private health insurance by age, state and family size.

The study, sponsored by a unit of eHealth Inc., found that half of all individual policy holders pay less than \$122 a month for major medical coverage. And the range of average monthly premiums across the country is from \$98 in Iowa to \$338 in New York.

Individual Michigan residents pay an average of \$106 a month for medical coverage, according to the Forrester report. Meanwhile, the average family policy rate is \$237 a month.

Census Data on Growing Number of Uninsured Make Clear: National Health Care Strategy Is Needed

The Commonwealth Fund commentary – 8.29.07

Commonwealth Fund president, Karen Davis, Ph.D., says that the SCHIP reform bills currently in Congress are an unprecedented opportunity to expand coverage and improve the quality of care for all of us, but they are only a beginning. She discusses opportunities to expand coverage and improve the quality of care for all Americans. (http://www.commonwealthfund.org/General/General_show.htm?doc_id=519979&#doc519979)

Health Care, Economy Among Top Campaign Issues

NPR, [All Things Considered](http://www.npr.org/templates/story/story.php?storyId=14004843), 8.28.07 Listen: <http://www.npr.org/templates/story/story.php?storyId=14004843>

Recent polls show that health care concerns and associated economic anxiety are approaching the war in terms of importance as a campaign issue.

More Americans Lack Health Insurance

NPR, *Morning Edition*, 8.29.07

Listen: <http://www.npr.org/templates/story/story.php?storyId=14016079>

The number of Americans without health insurance grew to an all-time high of 47 million last year, more than 2 million higher from a year before. The number of children without health coverage also rose. The numbers, from new Census data, are likely to raise the stakes in the political debate about health care.

American Medical Association Pitches Health Care Plan

Source: *Cover the Uninsured*, from *Los Angeles Times*, 8.24.07

The American Medical Association (AMA) unveiled a three-year, multimillion dollar advertising campaign last week promoting its plan to provide health coverage for the estimated 45 million people in the United States without health care coverage, reports the *Los Angeles Times*.

According to the article, the AMA is "seeking to influence the health care debate in the 2008 election," and the campaign, "Voice for the Uninsured," is aimed at voters and White House candidates. The AMA does not endorse candidates or financially contribute to any of the presidential campaigns but encourages presidential hopefuls "to commit to health care agendas that incorporate its ideas, rather than a government-run, single-buyer system."

The organization, which represents roughly 250,000 physicians, proposes using tax credits or vouchers to help the uninsured buy health insurance.

Lenders Target Health-Care Consumers

Wall Street Journal Health Blog – 8.30.07 (Posted by Joseph Mantone)

The mortgage-lending market may be a mess, but lending people money to get health care is a booming business, the *New York Times* reports.

Startups, insurers and big-time lenders — including Capital One, Citigroup, and General Electric's CareCredit unit — are offering plans that help patients finance medical care. Some loans start out at zero interest, but interest rates of 20% or more can kick in if customers aren't able to pay on time. The lending doesn't help those who are already in medical debt because there's little chance they'll receive credit. The subprime fiasco has even made it difficult for others to be deemed "credit worthy."

Still, many are using the lending for laser eye surgery, tooth implants or other procedures not typically covered by insurers. But with increasing insurance gaps, health-care lending could become more commonly used for basic medical care, the *Times* reports.

"As more and more of the costs of care are shifted to consumers, people are going to need more credit," Red Gillen, a senior analyst at Celent, an insurance and banking research firm told the *Times*. "They are still going to need health care."

New Asthma Guidelines Encourage Better Control

Wall Street Journal Health Blog – 8.29.07 (Posted by Jacob Goldstein)

New federal guidelines for asthma management released today (available [here](#)) aren't a revolution. But they may push doctors and patients toward better control of the disease, a couple of experts told the *Health Blog*.

One key shift is a greater focus on how well the disease is managed in the patient's day-to-day life, and what kind of risk it presents for the future — not just by looking at lung function, but by finding out things such as how frequently the patient has attacks of breathlessness, how often the patient awakes during the night short of breath, and how often the patient needs to use rescue medication.

This approach may mean more drugs for some, less for others, David Lang, co-director of the Cleveland Clinic's asthma center, told the Health Blog. "If you follow the new paradigm for asthma control, when patients are poorly controlled, it frequently means they need more medication. But when they are controlled, you can maintain or step down the medication." (Lang has financial ties to several asthma-drug makers.)

Still, doctors can already control asthma in almost all patients, Kenneth Prager, a Columbia University pulmonologist, told us. **The problem is getting patients in to see the doctor, and getting them to follow the treatment plans — especially tough among many of the indigent groups that tend to suffer disproportionately from asthma.** "These guidelines are lovely," Prager said. "The problem is implementing them in the underserved areas."

What benefits are typical for employees?

Free Press – 9.4.07 (Figures from the soon-to-be-published Statistical Abstract of the United States 2008.)

ANSWER: A paid vacation is the most common. About 77% of workers in private industry receive one as an employment benefit.

Right behind, at 76%, is paid holidays -- such as Labor Day. (Hope you had a good one.)

Regarding health, 71% have access to medical care, 64% have outpatient prescription drug coverage, 46% dental care and 29% vision care.

Only 12% have access to long-term care insurance as a work benefit. About 15% have access to employer assistance for child care.

The High Cost of Health Help for Needy Children

NPR, Weekend Edition Saturday, 9.1.07 · Listen:
<http://www.npr.org/templates/story/story.php?storyId=14112444>

The Census Bureau says there are 47 million people in the U.S. without health insurance; more than 5 million of them, according to a study recently released by the Urban Institute, are children. **Many wind up in expensive emergency rooms, often because the federal programs aimed at helping those who fall through the health-care cracks are not well understood and not well used.** Dr. Robert Simon, interim chief of Chicago's Cook County Bureau of Health Services, discusses the issue with Scott Simon.

'Sicko's' Peeno Sees Few Gains in Health Insurance

NPR, All Things Considered – 9.3.07 Listen:
<http://www.npr.org/templates/story/story.php?storyId=13979799>

Director Michael Moore's frontal attack on the U.S. health care system hasn't exactly been among this summer's blockbusters. But **a new poll from the Kaiser Family Foundation finds that the movie *Sicko* has boosted the national conversation about health care.**

Nearly half of those surveyed said they had either seen the movie or heard or read something about it. And one in four people said the film prompted a discussion about the U.S. health system.

Those who did see the movie probably remember Linda Peeno. She's the Louisville physician who testified before Congress in 1996, during the height of the national debate over patients' rights versus HMOs.

Health Insurance for All?

NPR, News & Notes, September 3, 2007 · Listen:

<http://www.npr.org/templates/story/story.php?storyId=14144166> (second program segment)

Farai Chideya speaks with Julianne Malveaux — author, economist and president of Bennett College — about what happens when living on credit turns sour, and **why a state sponsored health insurance program for the nations most vulnerable is getting the cold shoulder in Washington.**

Study: Care for Mentally Ill Lacking

NPR, *Morning Edition*, 9.4.07 · Listen: <http://www.npr.org/templates/story/story.php?storyId=14149804>

A new study in *The Lancet*, an independent voice in global medicine, shows **no country does a particularly good job caring for those with serious psychiatric illnesses.** Among findings: in Africa, there's one psychiatrist for every 2 million people; while in Europe, there's one for every 10,000. Still, there are things poor countries can do to help the mentally ill.

Lack of Access Could Be 'Bigger Cancer Killer than Tobacco'

Wall Street Journal Health Blog – 8.31.07 (Posted by Jacob Goldstein)

The American Cancer Society plans to devote this year's entire \$15 million ad budget to broad problems associated with access to insurance and care, the New York Times reports. It's a striking move for the group, which has historically focused its ads on the sorts of things you'd expect, from the risks of smoking to the benefits of colonoscopy.

One connection between the rising number of uninsured Americans and the Cancer Society's mission of reducing the toll of cancer: **The uninsured are less likely to get recommended cancer screenings, and more likely to be diagnosed in more advanced, and often more deadly, stages of the disease.** "I believe, if we don't fix the health care system, that lack of access will be a bigger cancer killer than tobacco," Cancer Society chief John R. Seffrin told the Times.

The campaign will join health-access ads popping up from other groups more likely to be waving the flag on such issues, including the American Medical Association, the AARP, the Business Roundtable and the Service Employees International Union. But other disease-advocacy groups, such as the American Heart Association, are sticking with more conventional ads that hew more narrowly to the groups' particular fields.

"I've never seen anything like it before," Bill Novelli, chief executive of AARP and the co-founder of the Porter Novelli public relations firm, said of the Cancer Society's ad campaign. "It's taking a different tack for them."

Drug Info Companies Sue to Block State Laws

Wall Street Journal Health Blog – 8.30.07 (Posted by Jacob Goldstein)

After a court victory in New Hampshire, companies that traffic in prescription-drug data are going for a New England hat trick. IMS Health, Wolters Kluwer Health and Verispan — which buy records of doctors' prescribing habits, then crunch and sell the data to the drug industry — filed lawsuits yesterday against Maine and Vermont, where **laws restricting the collection of prescription data** are set to go into effect on Jan. 1 of next year. A federal District Court judge struck down a similar New Hampshire law earlier this year, on the grounds that it violated the First Amendment. That ruling is now under appeal, according to the AP.

"The new laws in Vermont and Maine will have the same unintended consequences as the one in New Hampshire, blocking vital health care information from public view while doing nothing to drive down prescription drug costs or improve the health and well-being of citizens," an IMS vice president said in this

statement. The companies also noted that the patient data they collect is anonymous — it doesn't identify individual patients by name.

Officials in Vermont and Maine said they modified their laws after the New Hampshire ruling and would fight the lawsuit. "We will vigorously defend the constitutionality of the law and oppose efforts to have its enforcement enjoined," Maine's attorney general told the AP.

Some doctors groups have complained about the collection of data on their prescribing habits, and the AMA last year set up a registry where doctors can sign up to keep their prescribing habits private. But as of this spring, fewer than one percent had signed up, according to the New York Times.