

EVENT SUMMARY:
THE NEXT 100 DAYS: SOME FINAL HURDLES TO HEALTH REFORM
September 3, 2009

The Alliance for Health Reform, with support from the Robert Wood Johnson Foundation, held a briefing for reporters at the National Press Club to address some of the important issues that must be settled if President Obama is to sign a meaningful health reform bill this year. The briefing was in a question-and-answer format to more easily address the interests of the reporters attending.

Ed Howard, executive vice president at the Alliance for Health Reform, extended a welcome from Senators Rockefeller and Collins, and the Alliance board. He also thanked the panelists for their participation and the Robert Wood Johnson Foundation for sponsoring the event. Mr. Howard noted that significant disagreements still exist within Congress regarding health reform legislation.

Risa Lavizzo-Mourey, Robert Wood Johnson Foundation president and CEO, identified six facets of our health system that need to be addressed in health reform: coverage and access, health care quality, costs and spending, prevention, public health, and the social determinants of health. Dr. Lavizzo-Mourey noted why Congress must not let the opportunity slip away to enact reform this year. “Doing nothing doesn’t lead to universal coverage; it just leads to universal pain,” she said.

Dallis Salisbury, president and CEO of the Employee Benefit Research Institute, recognized the importance of health insurance benefits in attracting and retaining employees. He also highlighted concerns of employers when considering reform -- from high costs and a need for flexibility to the tax treatment of employee-based health benefits and the effect of mandates.

Gail Wilensky, senior fellow at Project HOPE and former Medicare administrator, emphasized the tensions between finding quick money for financing reform and implementing long-lasting health care savings and quality improvements. Unfortunately, she said, encouraging integrated delivery systems, management of chronic disease and reducing inappropriate admissions do not show savings when scored by the Congressional Budget Office. “The ways you get money quickly are not the ways that produce the kind of changes you need for quality,” she told the reporters.

Ken Thorpe, chair of Emory University’s Department of Health Policy and Management, noted some ways that the growth of health spending can be addressed in health reform, particularly through better management of patients with chronic conditions. In addition to curbing obesity, care coordination can provide cost savings on inappropriate readmissions.

The floor was opened for questions from reporters.

1. What is the truth about death panels?

Gail Wilensky – “Death panels [are] a red herring issue,” she said. What the reform bills actually would do is to pay physicians for providing optional counseling on advance directives and hospice care. Dr. Risa Lavizzo-Mourey added that many people are not aware of end-of-life care that is available to them, nor that hospice care is already covered by Medicare.

2. Is the public plan option dead?

The public plan is not dead, according to Gail Wilensky, since leaders including Speaker Nancy Pelosi definitely want a public plan. Dr. Wilensky also acknowledged the arguments against such a plan, noting that such a plan would set provider reimbursement below market rates. Dallas Salisbury noted that a specific design for the public plan has not emerged. He also addressed the different definitions of universal coverage. “Coverage doesn’t mean you have health benefits; it means you have access. Participation means you have it,” he said.

3. What are areas of consensus?

Ken Thorpe sees agreement on the need to reduce costs. Gail Wilensky remarked that consensus “depends on how much can be financed.” No one wants unfunded expenditures, especially in the wake of TARP and the stimulus bill, she said.

4. How much do illegal aliens contribute to health care costs?

Gail Wilensky, Dallas Salisbury, and Ken Thorpe all agreed that the impact of illegal aliens on the health system is impossible to estimate accurately, since questions about immigration status are not asked in surveys of health insurance status.

5. Does prevention save money and how does this effect Medicare reform?

Ken Thorpe, Gail Wilensky and Risa Lavizzo-Mourey all noted that there are different types of prevention. Screenings and early detection of disease are designed to improve the quality of lives, but not necessarily save money, while disease prevention and management can save the system money.

Dr. Thorpe noted that care coordination would enhance the Medicare benefit package while reducing costs. However, as Dr. Wilensky noted, the CBO cannot score the savings that prevention might bring because we do not know how health reforms will affect behavior. Dr. Lavizzo-Mourey adds that the CBO makes estimates on a 10-year timeline while some prevention measures would need longer than that to show savings.

6. What must a bill include to rightly be called “health reform”?

Ken Thorpe wants a bill that keeps comprehensive *health* reform in the picture, not just health insurance reform. For Gail Wilensky, reform must address sustainability and spending in addition to expansions of coverage. Dallas Salisbury noted that most interest groups want reform since “today there is a belief that the current system is unsustainable.” Finally, Risa Lavizzo-Mourey concluded that if nothing is done, the number of uninsured could grow by 30 to 40 percent and health insurance premiums will continue to rise. Given these realities, she said, there is “consensus that we need change.”