



Health Care 2010:

4th Annual Conference for Healthcare
Transparency & Patient Advocacy

Lexington, KY November 19, 2010



Things We Know

America's Health Check-up

- >310 million population
- >39 million > 65 yrs
- >50 million without health insurance
- 67% overweight or obese
- 8% Diabetes Mellitus
- 27% high BP
- 40% little exercise
- 83% do not eat 5 fruits and vegetables/day

Demographic Trends & Burdens of Disease

- Increasing number with income >\$50,000
- Widening of gap between rich and poor
- Increasing incidence of chronic disease
- Rising healthcare expenditures as % of GDP
 - 5% - 1960
 - 7.5% - 1980
 - 14% - 1990
 - 16% - 2007
 - 17% - 2009
- >Age 85 population to grow from 4.2 M in 2000 to 21 M by 2050

Demographic Trends & Burdens of Disease, Cont.

- An aging population
- Aging of Baby Boomers (1946-1964)
- Living longer (49.9 years – 79.9 years)
- >Age 65 population to grow from 34 M – 39 M
- Fastest growing segment is > age 65 group
- Increasing number of minorities
(20% - 1980) (32% - 2010) (50% - 2050)

Things We Know: Health Insurance & Timely Access to Care

- Health insurance is an important determinant of health & disability status
- Those w/o less likely to have a usual or regular provider
- Those w/o less likely to obtain preventive care
- Those w/o less likely to obtain needed tests and Rx
- Those w/o have decreased health & well-being

Lack of Access to Health Care Can Be Deadly

- >45,000 people die each year due to lack of health insurance.

“Here Are 2 Truisms”

- Rich countries have better health than poor countries, and
- Medical care improves health.

Marmot and Bell, JAMA Vol. 301, No. 11, Mar 18, 2009

Truths About Health Care in America

- Spend more money than other nations – >2.5 T
- Shorter life span, not healthier, higher IMR
- Smoking is on the decline.
- 67% overweight, 33% of these are obese
- Improvement in preventable causes of death
- Lack of access to health care – >50 million
- Disparities in healthcare
- Children in poverty – 19%

How America Ranks Among Industrialized Countries in Investing in and Protecting Children

- 1st in gross domestic product
- 1st in number of billionaires
- 1st in number of persons incarcerated
- 1st in health expenditures
- 1st in military technology
- 1st in defense expenditures
- 1st in military weapons exports
- 21st in 15-year-olds' science scores
- 21st in low birth weight rates
- 25th in 15-year-olds' math scores
- 28th in infant mortality rates
- Last in relative child poverty
- Last in the gap between the rich and the poor
- Last in adolescent birth rates (ages 15-19)
- Last in protecting our children against gun violence

If we compare just Black child well-being in America to child well-being in other nations, according to UNICEF:

- 66 nations have lower infant mortality rates including Sri Lanka.
- Over 100 nations have a lower incidence of low birth weight, including Algeria, Botswana and Panama.
- Black women in the US are more likely to die from complications of pregnancy or childbirth than women in Uzbekistan.

Health Goals of the Nation – 2020

A Society in which all people live long healthy lives

- **Overarching Goals:**

- Attain high quality, longer lives free of preventable disease, disability, injury, and premature death.
- **Achieve health equity, eliminate disparities, and improve the health of all groups.**
- Create social and physical environments that promote good health for all.
- **Promote quality of life, healthy development and healthy behaviors across all life stages.**

Reasons for Increased Cost of Health Care

- Increasing number of elderly – living longer
- Greater burden of chronic disease
- More medications used
- Improved technology
- Higher rates of hospitalizations
- Increased use of nursing facilities
- ADL need for 40% for >age 85
- High administrative costs

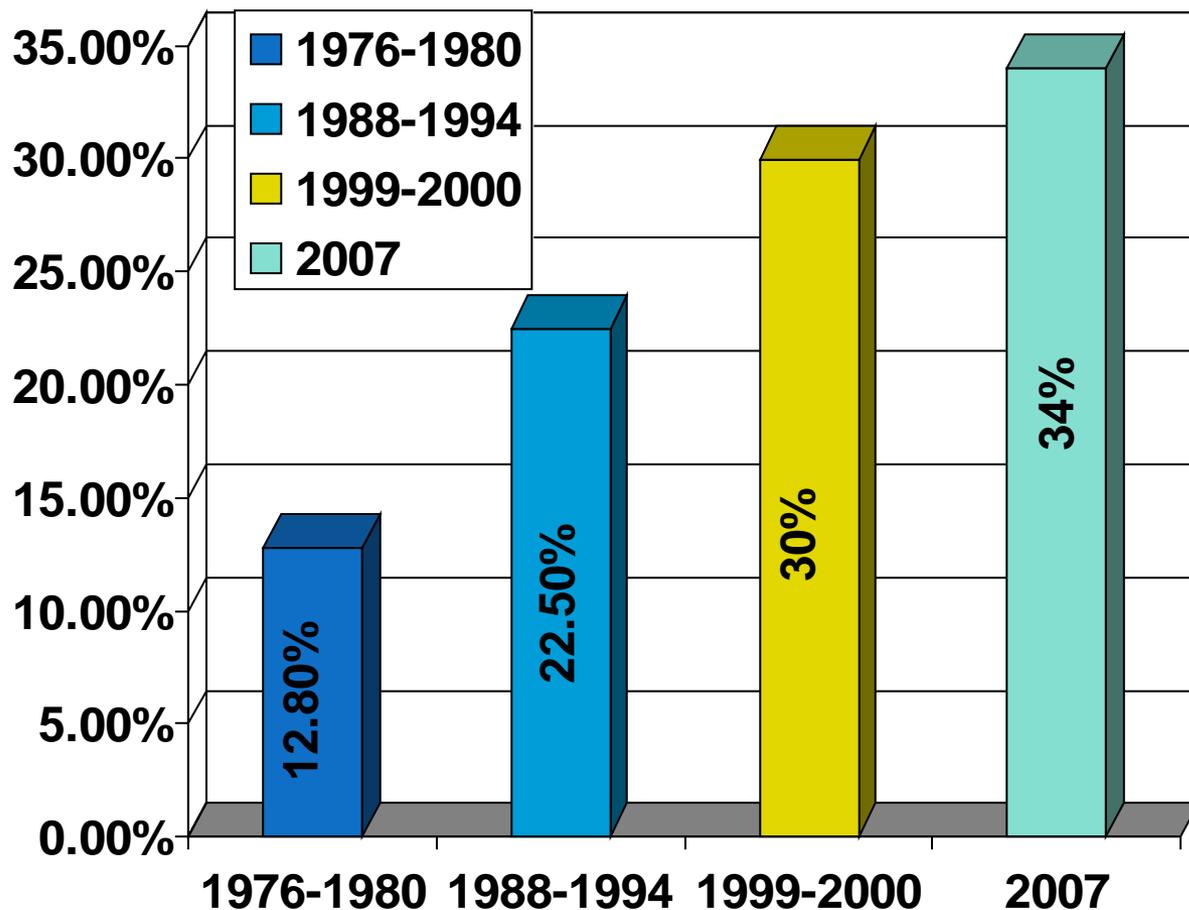
Proposed Strategies for Reducing Healthcare Spending

- Establish insurance exchanges.
- Reduce excessive Medicare payments.
- Shift from a volume-based to a value-based payment system in Medicare
- Tax generous insurance plans.
- Empower an independent Medicare advisory board.
- Address & reduce fraud & abuse within Medicare.
- Enact malpractice reform.
- Invest in information technology & comparative-effective research
- Invest in prevention. (NEJM 362:13 Apr 1, 2010)

What Does the Health System Reform Mean to You?

- 32 M uninsured Americans will gain access to health coverage.
- Insurers cannot deny patients based on pre-existing conditions.
- No lifetime caps on coverage or threats of cancellation
- Children permitted to remain on parents' policies until age 26.
- Competition will be introduced into the insurance marketplace.
- Health insurance exchanges & co-ops created for pooling of coverage for individuals & small businesses.
- Tax credits to small businesses for purchase of health insurance
- High-risk insurance pools will be created.
- Subsidies to help low-income individuals & families purchase ins.

Rising Obesity in the US



The number of diabetes cases among American adults jumped by a third during the 1990s, and more increases are expected. This rapid increase in diabetes is due to the growing prevalence of obesity and extra weight in the US population.

Burden of Disease

Sexual and reproductive health problems account for 18% of the total global burden of disease and 32% of the burden among women of reproductive age.

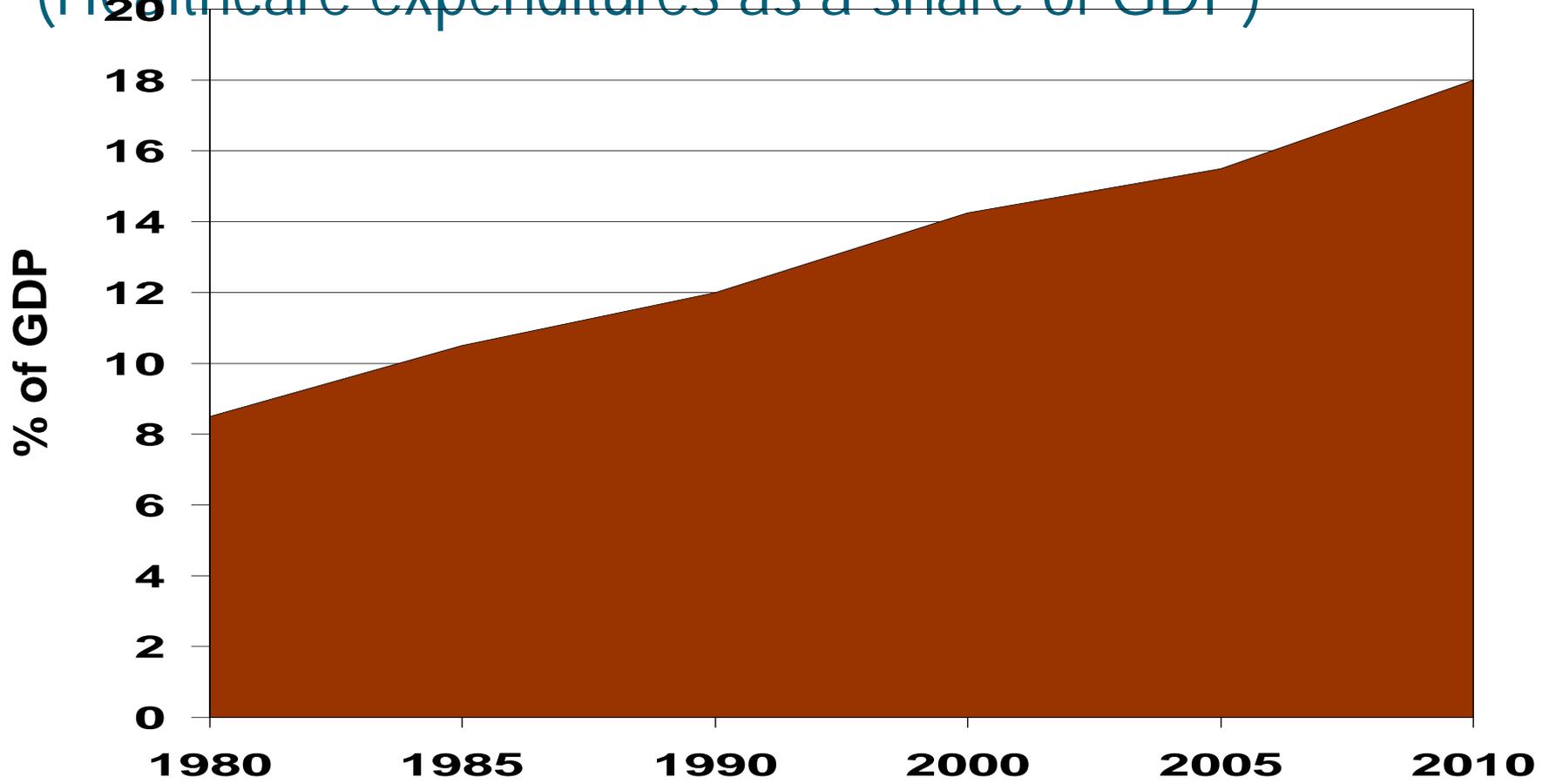
America Is Not a Sexually Health Nation as Manifested by:

- More than 1B acts of unprotected sex among single adults
- 65 M live with an incurable STI.
- 19 M STIs, $\frac{1}{2}$ < 24 yrs.
- >750,000 unintended teen pregnancies
- 6 M pregnancies, 3.9 M births, 1.3 M abortions
- >1.1M living with HIV
- > 56,000 new cases of HIV diagnosed ea. yr.
- Despite proven effectiveness of latex condoms & microbicides, single, sexually active Americans ages 18-54 use them only about 25% of the time.

Health Care in America Is Not:

- Coherent
- Comprehensive
- Choice
- Cost Effective
- Equitable
- Universal

Projection of Future Healthcare Spending (Healthcare expenditures as a share of GDP)



Major Problems of Current US Healthcare System

- **Access**

- More than 50 M have no health insurance

- **Cost**

- Costs too much, delivers too little

- **Quality**

- Gross lapses in quality of care
- Major health disparities
- Lack of transparency

Recommendations for a New Healthcare System

- Healthy people in healthy communities
- Healthcare system that is accessible, available and affordable
- Prevention-focused, purpose-driven and solution-oriented
- Individual responsibility and involved in care
- Healthcare professionals who are patient-centered

Recommendations for a New Healthcare System

- Equitable care for all
- Universal health insurance:
 - W/o pre-existing conditions, caps
 - Parity for physical & mental conditions
 - Gender equity
 - W/o high deductibles and co-pays
 - Promote a diverse workforce
- Provide long-term care for disabled & elderly
- Data collection
- Health information technology (HIT)
- Electronic medical records

Strategies

- Educational strategies
- Access strategies
- Prevention strategies
- Intervention strategies
- Strategies of compassion
- Research strategies
- Political strategies
- Leadership strategies

5 C's of Leadership – Clarity of vision, Consistency,
Competency, Commitment, Control

What Is Our Role as Healthcare Advocates?

- A – Aware, advocate, access
- D – Determined boldness
- V – Voice and vision
- O – Open, opportunity
- C – Commitment
- A – Action plan
- T – Transparency
- E – Education and empowerment
- S – Success

Why Cultural Competence Is Needed in Patient-Provider Encounters

- Perception of disease and mental illness and their causes vary by culture
- Belief systems related to health, healing, and well-being are rooted in culture
- Culture influences help-seeking behaviors and attitudes toward health care providers
- Culture influences acceptance of and approaches to treatments, therapies, and interventions
- Patients must overcome personal experiences of bias or discrimination within the health care delivery system

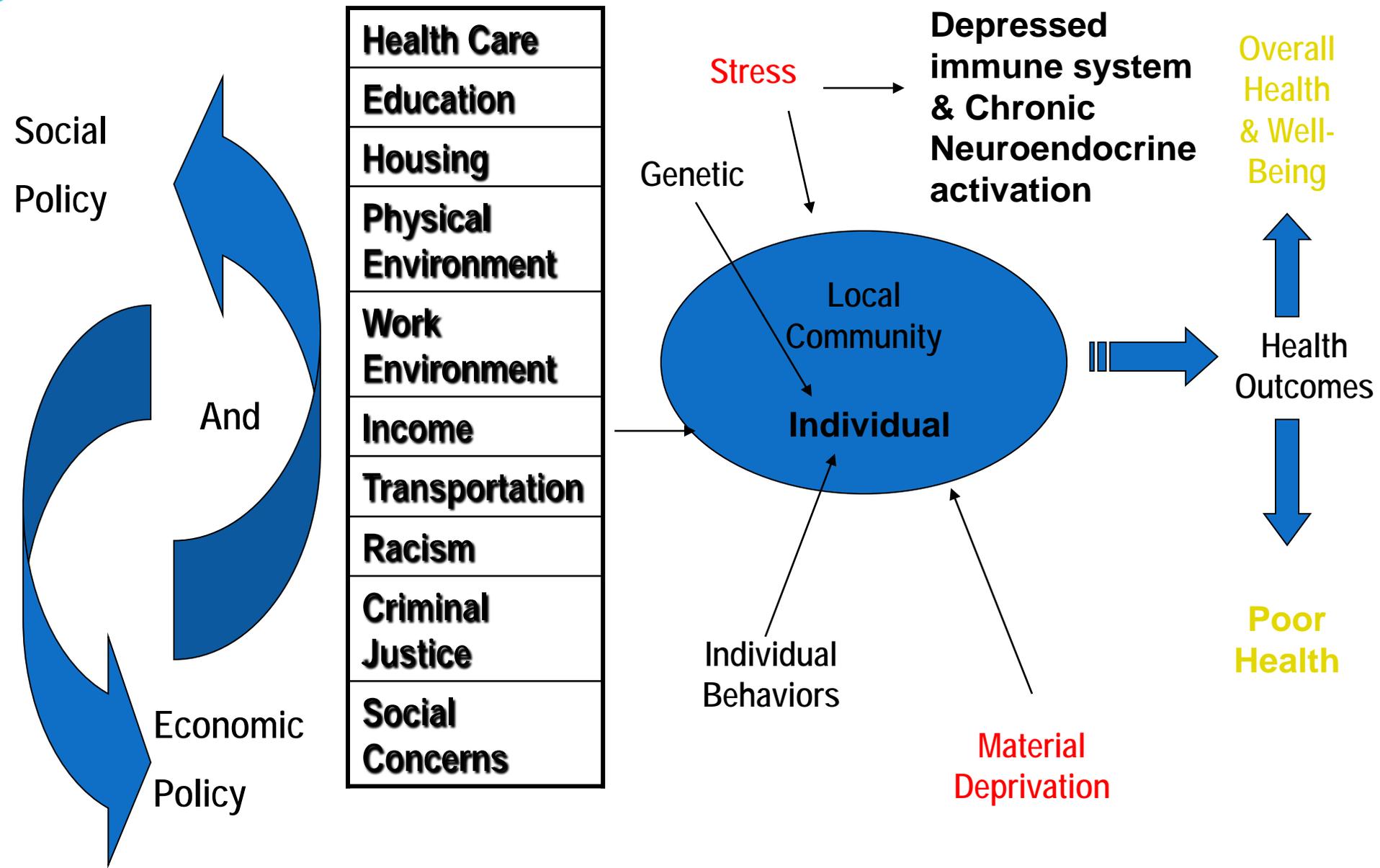
Things We Know: Scope of Problem

- >310 million people in US
- 25% live in Rural Areas
- >50 million are uninsured
- Health insurance is an important determinant of health & disability status
- Uninsured - Rural (23%) Urban (17%)
- Access to health insurance high priority
- Health disparities exist in minority populations including
 - Rural pop., AA, Hispanics, poor, chronically ill

Major Determinants of Health

- Social and behavioral factors 50%
- Environment 20%
- Genetics 20%
- Access to care 10%

The Social Determinants Framework



Population Data

- In 2010:
- World population – 7 B
- US population - 310+ M
 - Children – 74 million
 - Seniors – 40 million
 - Prison – 2.3 million



(<http://www.census.gov/population/www/popclockus.html> on Sept 13, 2010),

Poverty as a Shift in Population

- Children in Poverty – 19%
- Child poverty was at its lowest level 40 years ago. It has been rising since 2000.

Adults in Poverty	2009	2008	1973
• Age 18 – 64		11.7%	8.3%
• Age 65+		9.7%	16.3%
• All Adults	14.3%	13.2%	

What Does the Health System Reform Mean to You?

- Ins. Claims processing standardized & streamlined, lowering Dr.'s costs and improving practice revenue cycles.
- Medicare Part D donut hole will be closed.
- Clinical comparative effectiveness research will be promoted, but cannot be used to dictate treatment decisions or coverage.
- Prevention and wellness initiatives will be promoted.
- Funding is provided to test medical liability reforms, such as health courts and disclosure laws.
- And, primary care payment for Medicaid must be the same as it is for Medicare, with the federal government covering that cost for the first 4 years.

Reforming Health Care: What to Expect & When

- **In 2011**

- Further closes the Medicare Pt D doughnut hole, instituting a 50% discount of prescription drugs to Medicare beneficiaries who hit the gap in coverage.
- Insurance companies have to submit justification for all requested premium increases.
- The Medicare payroll tax will increase from 1.45% - 2.35% for individuals earning >\$200,000 and married-filing-jointly >\$250,000.

- **In 2013**

- Health plans must implement uniform standards for the electronic exchange of health information to reduce paperwork & administrative costs.

Reforming Health Care: What to Expect & When

• In 2014

- States must expand Medicaid to include childless adults who are <133 % of poverty level.
- Insurance companies cannot deny coverage for pre-existing conditions.
- Requires citizens to have acceptable coverage or pay a penalty of \$95 in 2014, \$325 in 2015, \$695 (or up to 2.5% of income) in 2016, penalties are indexed to Consumer Price Index. Some exceptions for low-income
- Healthcare exchanges that were set up in 2010 will replace pools for high-risk individuals.

• In 2018

- All plans required to provide free preventive care without co-payments/deductibles.
- An excise tax will be imposed on high-cost, employer-provided “Cadillac” health plans.

Reforming Health Care: What to Expect & When - 2010

- Small businesses <50 employees that choose to offer coverage will begin to receive tax credits of up to 35% of premiums.
- Adults uninsured due to pre-existing conditions will have access to insurance through a temporary high-risk pool.
- Insurance plans required to provide free preventive care, & offer preventive services with no co-payments, no deductibles. Medicare will do the same in 2011.
- Start closing Medicare Pt D donut hole by a rebate of \$250.
- Bans insurance companies from excluding coverage of children with pre-existing conditions.
- Bans restrictions on annual limits on coverage for new plans & grandfathered group health plans.
- Increases funding for community health centers.