



Health Watch USA Newsletter

January 2009

Kentucky has significant healthcare problems. Both in its delivery system and in the lifestyles of its citizens. The United State's healthcare system is undergoing examination and healthcare reform is being hotly debated. Never Events and Certificate of Needs are being closely scrutinized, along with the high rate of prescription drug usage which is costly to both employers, State government and consumers. Attempts to both raise revenue and improve health by "sin taxes" will be also be debated in this year's legislature.

Never Events. Update

On Dec 2, 2008, CMS has proposed three more no-pay rules these include

- Surgery on the wrong body part
- Surgery on the wrong patient
- Wrong surgery performed on a patient.

The AMA news also reported that Nancy Foster, Vice President for Quality and Patient Safety, American Hospital Association stated that the AHA has encouraged hospitals to consider not seeking payment for the entire list of the National Quality Forum's (NQF) serious reportable events.

(AMA News Dec 22/29, 2008)

<http://www.ama-assn.org/amednews/2008/12/22/gvsa1222.htm>

The Colorado Hospital Association also encourages hospitals to consider adjusting charges directly related to the NQF's "Never Events". One hospital chain, Exempla Healthcare, has implemented this policy. Flowsheet for Never

Events: <http://www.aha.org/aha/content/2008/pdf/080418-TC-policy.pdf>

<http://www.aha.org/aha/calendar-event/2008/080508-ce-cha.html>

Health Watch USA would like to encourage Kentucky Medicaid to adopt Medicare guidelines on non-payment of "Never Events" and for Kentucky Hospitals to follow Exempla Healthcare's Example.

Revenue From Taxes May Also Improve Health.

The State of Kentucky must act to increase revenues. Many health advocates also see this as an opportunity to promote health by levying so called "sin" taxes.

#1. **Tobacco Tax:** Kentucky has the 3rd lowest tax on cigarettes.

http://www.fox41.com/Global/story.asp?S=8193183&nav=menu1404_8_1

Every 10% increase in the price of cigarettes reduces the number of overall smokers by 4% to 5% and the number of children who smoke by 7%.

http://www.ncbi.nlm.nih.gov/pubmed/17610918?ordinalpos=31&itool=EntrezSystem2.PEntrez.Pubmed.Pubmed_ResultsPanel.Pubmed_DefaultReportPanel.Pubmed_RVDocSum

California:

http://www.ncbi.nlm.nih.gov/pubmed/15914829?ordinalpos=38&itool=EntrezSystem2.PEntrez.Pubmed.Pubmed_ResultsPanel.Pubmed_DefaultReportPanel.Pubmed_RVDocSum

Kansas:

<http://www.khpa.ks.gov/LegislativeInformation/Testimony/2-7-08TobaccoTaxTalkingPts.pdf>

Conversely one study found that decreasing the tax on cigarettes promotes consumption.

<http://www.cmaj.ca/cgi/reprint/156/2/187.pdf>

Decreasing smoking rates and secondhand smoke has been reported to be a factor in a major drop in heart attacks in Pueblo, Colorado after a workplace smoking ban went into effect. The rate of heart attacks dropped by over 40% and the general public's smoking decreased from 26% to 21%.

<http://www.cdc.gov/mmwr/preview/mmwrhtml/mm5751a1.htm>

#2. **Alcohol Tax:** Kentucky has the 7th lowest tax on alcohol products. Recently Representative Nelson filed a bill which would increase the tax on alcoholic beverages from 11 to 20 cents. Like smoking these two taxes often go hand in hand.

<http://www.wkyt.com/home/headlines/36690849.html>

http://www.fox41.com/Global/story.asp?S=8193183&nav=menu1404_8_1

Recent Trends in Kentucky Drug Usage, Abuse and Overdosage

Across the nation the use of prescription drugs is on the rise, costing employers an increase of 12 billion dollars between 2000 and 2006 and Kentucky is leading the way.

http://www.usatoday.com/news/health/2008-02-08-prescription-chart_N.htm

Retail prescriptions filled per capita in the United States is on average 11.5% per year. Kentucky has the sixth highest rate at 15.8. By comparison, Alaska has a per capita rate of 6.4.

<http://www.statehealthfacts.org/comparemaptable.jsp?ind=267&cat=5>

Looking at the overall pattern of drug usage is interesting. In Feb. 2008, Newsweek reported data from insured individuals using "Express Scripts". Kentucky tied with Maryland for the fifth highest usage of painkillers and antiinflammatories and had the second highest usage of antidepressants. http://www.usatoday.com/news/nation/2008-02-12-drugs_N.htm

Drug overdose – In a study from West Virginia, a state with similar demographics to Eastern Kentucky, the majority of people who died from overdosing on drugs did not have prescriptions for them. Most 63.1% obtained their drugs from diversion and 21.4% from doctor shopping. A Kasper report may have prevented 21.4% of the deaths, but the remaining deaths occurred in

individuals who obtained their prescription drugs by other means. One could conclude that drugs are often obtained by patients and then given or sold to others.

<http://www.hhs.gov/news/healthbeat/2008/12/20081231a.html>

<http://jama.ama-assn.org/cgi/content/full/300/22/2613#REF-JOC80122-6>

Abuse of drugs by children is also high with rates for nonmedical usage of Vicodin approaching 10% of high school seniors. <http://www.nida.nih.gov/Infofacts/Painmed.html> Overall, 15.9% of high school 10th graders reported taking prescription drugs for nonmedical reasons. http://www.nlm.nih.gov/medlineplus/news/fullstory_72705.html

Certificate of Need

Recent Op-Ed published by Health Watch USA in the Courier Journal (Jan. 5, 2008) updates the current trend of the CON laws in the United States. Of particular interest is the associated corruption that CON boards and special legislation have allegedly fostered. Most notable have been in the States of Alabama and Illinois.

http://www.healthwatchusa.org/Op-Eds_HWUSA_PDF/2009-1-CON.pdf

A Criminal Complaint against Governor Rod Blagojevich alleges that in reference to the Illinois Health Facility Planning Board, “at least one board member “was soliciting bribes in exchange for board action.” At least one facility allegedly promised to “make a substantial campaign contribution to Rod Blagojevich.” The controversy “ultimately led to the disbanding of the Planning Board.”

http://www.usdoj.gov/usao/iln/pr/chicago/2008/pr1209_01a.pdf

In Alabama Governor Don Siegleman was convicted for allegedly appointing a member to the Alabama’s Certificate of Need Review Board after receiving a \$500,000 bribe.

http://www.nytimes.com/2008/12/10/us/10siegelman.html?_r=4

Kevin T Kavanagh, MD

2009 Conference on Healthcare Transparency and Patient Advocacy -- Nov. 13, 2009

KeyNote Speaker: Dr Joycelyn Elders – Past US Surgeon General

Four Points Sheraton -- Lexington Kentucky

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The above information is the express opinion of Kevin Kavanagh, MD and Health Watch USA