



Health Watch USA Newsletter

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Member of the National Quality Forum and a designated "Community Leader" for Value-Driven Healthcare by the U.S. Dept. of Health and Human Services

High Cost of Healthcare.

A report which estimates that if employers drop health insurance in favor of exchanges they will save 422 billion dollars over 10 years. The employer pays a \$3000 penalty per employee and the Government, depending upon the employee's income, would then provide subsidized health insurance. This will substantially drive up the bill for healthcare reform. (This possibility has been extensively covered by Health Watch USA in past publications and communications.)

"The penalties for the employers who drop coverage are very low, and the subsidies for the workers in the exchanges are very high," said James Capretta, with the Ethics and Public Policy Center.

<http://www.foxnews.com/politics/2012/05/01/employers-could-save-billions-by-dropping-workers-from-health-plans-report/?test=latestnews#ixzz1teSfq54h>

In a recent study published in the April 23, 2012 issue of the Archives of Internal Medicine, Dr. Renee Hsia, et al., performed a market study on the cost of an appendectomy. For 2009 in the State of California, the cost of an appendectomy varied from \$1500 to \$182,955. 67% of the cost variation could be explained by patient or hospital factors. However, 32.2% of the variation in the charges were unexplained. County hospitals had a 36.6% lower charge than non-profit hospitals. For-profit hospitals had a 16.3% higher charge than non-profit hospitals. As pointed out in the article, one is in a poor position to shop for care when having to undergo an emergency appendectomy for appendicitis. Below is an ABC news report on this issue.

<http://abcnews.go.com/WNT/video/healthcare-cost-shock-23000-appendectomy-16198878>

The Commonwealth Fund: Prices of healthcare vary widely and because of high co-pays, consumers, employers and advocates are wanting greater healthcare price

transparency. <http://www.commonwealthfund.org/Newsletters/Quality-Matters/2012/April-May/In-Focus.aspx>

A blue book medical app helps consumers compare healthcare prices among different providers: <http://healthcarebluebook.com/>

Health insurers are estimated to give 1.3 billion dollars in health insurance premium rebates to policyholders for monies not spent on patient healthcare services. The new healthcare reform law limits an insurance company's profit plus overhead to 15% to 20% of the insured's policy premium. If the remainder is not spent on patient care it must be returned as a rebate to the policyholder.

http://www.npr.org/blogs/health/2012/04/26/151461360/health-insurers-set-to-pay-1-3-billion-in-rebates?goback=%2Egde_49480_member_111154397

Senator Grassley questions the charity care and CEO salary of non-profit hospitals.

Senator Grassley Comments: <http://htl.li/aweAB>

IRS Study of CEO Salaries: <http://htl.li/awezM>

The Commonwealth Fund Reports that Healthcare Spending is Unsustainable

<http://www.commonwealthfund.org/Newsletters/Washington-Health-Policy-in-Review/2012/Apr/April-23-2012/Health-Spending-Growth.aspx>

Healthcare Coverage Gaps Still Persist

Commonwealth Fund: Gaps in healthcare coverage affects 1 in 4 adults 19 to 64.

<http://www.commonwealthfund.org/Newsletters/Quality-Matters/2012/April-May/In-Focus.aspx>

Healthcare Acquired Infections

The lack of a National Reporting Mandate for Hospital Infections Hurts Consumers

<http://www.forbes.com/sites/gerganakoleva/2012/04/05/lack-of-national-reporting-mandate-for-hospital-infections-hurts-consumers/>

Surgical Site Infection Monitoring:

There is significant variation in Surgical Site Infection Monitoring and Reporting by State. Only 14 states publicly report healthcare acquired infection data. 21 States have passed laws mandating such reporting.

<http://www.ncbi.nlm.nih.gov/pubmed?term=Variation%20in%20Surgical%20Site%20Infection%20Monitoring%20and%20reporting%20by%20State>

<http://www.ama-assn.org/amednews/2012/04/02/prsb0402.htm>

Below is what we feel is an example of the resistance to Public Reporting of Healthcare Associated Infections:

Missouri Department of Health: "Why aren't such infections as methicillin-resistant *Staphylococcus aureus* (MRSA), vancomycin-resistant enterococci (VRE) or *Clostridium difficile* reported" on the Missouri Department of Health's Website. Here is one of the reasons "..... Additionally, the resources of the facilities and the DHSS had to be taken into consideration: Facilities could not feasibly report every infection and the DHSS would not have been able to accommodate this volume of data." <http://health.mo.gov/data/hai/fag2.php>

Medical Over Use

Kentucky is listed as having the 7th highest rate of cesarean delivery in the nation at 35.4%.

http://www.cdc.gov/nchs/pressroom/states/CESAREAN_STATE_2010.pdf

During the April 27, 2012, TMIT Safety Leaders Teleconference it was presented that doctors who own their own imaging equipment are 4 to 7 times more likely to order a imaging test than a doctor who does not.

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