"Health Care Reform: What's Next?"

Nursing Economics
December 4, 2008

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Center for Rural Health

Connecting resources and knowledge to strengthen
the health of people in rural communities.

Rethinking Health Care

- The current mess
  - Growing burden of chronic disease *(cost)*
  - Failure to provide needed care *(access)*
  - Increasing fragmentation, poor coordination *(quality)*
  - Accelerating costs, unaffordable insurance

(Julie Lewis, July 23, 2008 Dartmouth Institute for
Health Policy and Clinical Practice)
International Comparisons on Health Care

Cost-Related Access Problems in Past Two Years

Base: Adults with any chronic condition

<table>
<thead>
<tr>
<th>Percent</th>
<th>AUS</th>
<th>CAN</th>
<th>FR</th>
<th>GER</th>
<th>NETH</th>
<th>NZ</th>
<th>UK</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not fill Rx or skipped doses</td>
<td>20</td>
<td>18</td>
<td>13</td>
<td>12</td>
<td>3</td>
<td>18</td>
<td>7</td>
<td>43</td>
</tr>
<tr>
<td>Did not visit a doctor when had a medical problem</td>
<td>21</td>
<td>9</td>
<td>11</td>
<td>15</td>
<td>3</td>
<td>22</td>
<td>4</td>
<td>36</td>
</tr>
<tr>
<td>Did not get recommended test, treatment, or follow-up</td>
<td>25</td>
<td>11</td>
<td>13</td>
<td>13</td>
<td>3</td>
<td>18</td>
<td>6</td>
<td>38</td>
</tr>
<tr>
<td>Any of the above access problems because of cost</td>
<td>36</td>
<td>25</td>
<td>23</td>
<td>26</td>
<td>7</td>
<td>31</td>
<td>13</td>
<td>54</td>
</tr>
</tbody>
</table>

Data collection: Harris Interactive, Inc. 
(2008 Commonwealth Fund International Health Policy Survey of Sicker Adults)
Americans Spend More Out-of-Pocket on Health Care Expenses Than Citizens in Other Industrialized Countries

![Graph showing total health care spending per capita (US$) and out-of-pocket health care spending per capita (US$) for various countries.](graph)

Difficulty Getting Care After Hours Without Going to the Emergency Room

Base: Adults with any chronic condition who needed after-hours care
Percent reported very/somewhat difficult getting care on nights, weekends, or holidays without going to ER

![Bar chart showing difficulty getting care in different countries.](chart)

Data collection: Harris Interactive, Inc.
(2008 Commonwealth Fund International Health Policy Survey of Sicker Adults)
Quality
Coordination Problems with Medical Tests or Records in Past Two Years

Base: Adults with any chronic condition

<table>
<thead>
<tr>
<th>Percent</th>
<th>AUS</th>
<th>CAN</th>
<th>FR</th>
<th>GER</th>
<th>NETH</th>
<th>NZ</th>
<th>UK</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Test results/records not available at time of appointment</td>
<td>16</td>
<td>19</td>
<td>15</td>
<td>12</td>
<td>11</td>
<td>17</td>
<td>15</td>
<td>24</td>
</tr>
<tr>
<td>Duplicate tests: doctors ordered test that had already been done</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>18</td>
<td>4</td>
<td>10</td>
<td>7</td>
<td>20</td>
</tr>
<tr>
<td>Either/both coordination problems</td>
<td>23</td>
<td>25</td>
<td>22</td>
<td>26</td>
<td>14</td>
<td>21</td>
<td>20</td>
<td>34</td>
</tr>
</tbody>
</table>

Data collection: Harris Interactive, Inc.
Source: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults.

Quality
Role of Nurses in Care Management

Base: Adults with any chronic condition
Percent said nurse is regularly involved in management of condition

Data collection: Harris Interactive, Inc.
(2008 Commonwealth Fund International Health Policy Survey of Sicker Adults)
U.S. Specific Data on Health Care

National health spending is estimated to have grown almost 7% in 2007, reaching over $2 trillion, or roughly $7,800 per person.

The growth rate is expected to hold steady at nearly 7% through 2017, reaching more than $4 trillion.

(Keehan et. al., "Health Affairs," 2008)
Employer Coverage Continues to Be Major Source of Coverage for Employees of Larger Firms But Has Declined Among Small Firms


Social Security, Medicare, and Medicaid Spending as a Percent of GDP

Source: GAO analysis of data from the Office of the Chief Actuary, Social Security Administration, Office of the Actuary, Centers for Medicare and Medicaid Services, and the Congressional Budget Office.

Variation in Spending

Medicare Spending per Beneficiary in the United States, by Hospital Referral Region, 2005

![Map showing variation in Medicare spending per beneficiary in the United States by hospital referral region in 2005. The map is color-coded to indicate different spending ranges.](image)

Variation in Spending

Major academic medical centers

<table>
<thead>
<tr>
<th>Spending and resource use chronically ill, last 6 months of life</th>
<th>UCLA Medical Center</th>
<th>Massachusetts General Hospital</th>
<th>Mayo Clinic (St. Mary’s Hospital)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Medicare spending</td>
<td>50,522</td>
<td>40,181</td>
<td>26,330</td>
</tr>
<tr>
<td>Hospital days</td>
<td>19.2</td>
<td>17.7</td>
<td>12.9</td>
</tr>
<tr>
<td>Physician visits</td>
<td>52.1</td>
<td>42.2</td>
<td>23.9</td>
</tr>
</tbody>
</table>

(Julie Lewis, July 23, 2008 The Dartmouth Institute for Health Policy and Clinical Practice)
Elliott Fisher’s Question

If all regions could adopt the practice patterns of the most conservative U.S. regions (such as: N. California or Rochester, NY) which of the following states would apply?

1. U.S. health care spending would decline by over 30%
2. The projected deficit in the Medicare Trust fund would be postponed by at least 25 years
3. We could spend 30% of the U.S. health care workforce to Africa and - in theory - improve the health of both continents

(Julie Lewis, July 23, 2008 The Dartmouth Institute for Health Policy and Clinical Practice)
Toward a High Performing Health System: Need for System Innovations

- Integrated systems of care for patients with chronic conditions
- Strong focus on engaging patients
- Alternative provider payment strategies, e.g., “Bundled” payments and P4P
- Electronic information systems and telehealth technology
- Investment in primary care workforce
- Population/community focus on health and disease prevention

Executive Branch
Obama Plan

- Goal of universal coverage; require children to have health coverage
- Require employers to offer or contribute a percentage of payroll to coverage; reinsurance of catastrophic costs in employers health plans
- Expand Medicaid and SCHIP
Obama Plan (cont.)

• Create a national health insurance exchange with private plans and a public plan with benefits similar to those in FEHBP
• Provide income-related subsidies for low-income families
• Regulations on insurers to avoiding poor health risks or charging higher premiums
• System reforms: improved disease management, coordinated care, health information technology, provider payment reform to reward quality and efficiency

http://video.yahoo.com/watch/4043303/10928627
Legislative Branch
Improving Value By Reforming the Health Care Delivery System

- Strengthening the role of primary care and chronic care management
- Refocusing payment incentives toward quality
- Promoting collaboration and accountability
- Health care infrastructure

Private Sector
Key Elements of Reform

- Affordable health coverage for all (access)
- Organizing our care delivery systems (quality)
- Reforming provider payment (cost)
- Government as leader

(The Commonwealth Fund Commission on a High Performance Health System)
• “Education: American clinicians and their educators have not prioritized efficiency improvement”  
  (Milstein, “Health Affairs”, June 2, 2008)

• “Service: Real savings requires underlying changes in the healthcare system”  
  (Mark McClellan, MD, Brookings Institution.  
  “Managed Health Care Executive,” July 2008.)

Lobbyist Spending  
Total for Health:356,113,932

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total Spending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Professionals</td>
<td>$60,948,763</td>
</tr>
<tr>
<td>Health Services/HMO’s</td>
<td>$47,076,089</td>
</tr>
<tr>
<td>Hospitals/Nursing Homes</td>
<td>$71,895,787</td>
</tr>
<tr>
<td>Misc. Health</td>
<td>$4,448,483</td>
</tr>
<tr>
<td>Pharmaceuticals/Health Products</td>
<td>$171,744,810</td>
</tr>
</tbody>
</table>

2008 Data  
(Center for Responsive Politics at www.opensecrets.org)
Special Interests Gear Up

• “The pharmaceutical research and manufacturers of America is preparing a multimillion-dollar public relations campaign to extol the free-market health care system and undercut an expected push by the Obama administration for price controls on prescription drugs” (Washington Times)

• “The Service Employees International Union gave millions of dollars to Democratic candidates, fully expects to push ahead on...health care reform” (San Francisco Chronicle)
Nursing….Expectations/Opportunities

• “We’re trying to work with nurses in health services research and their professional development to include health services research given that they are core to health care. Look for opportunities not to steam roll but to team”
  (David Blumenthal, MD, Harvard)

• “…The U.S. does not make effective use of non-physician practitioners such as advance practice nurses”
  (Glenn Hackbarth, Achieving Payment Reform in Medicare, Nov. 3, 2008)

Nursing….Expectations/Opportunities (cont.)

• “Providers (including nurses and other members of the care team) within and across settings have accountability to each other, review each other’s work, and collaborate to reliably deliver high-quality, high-value care.
  (August 2008, Commonwealth Commission)

• “Researchers are exploring the role non-doctors should play in delivering care to the chronically ill. Such patients benefit from education, emotional support and follow-up visits that are not necessarily handled by a physician”
  (John Rother, OECD Forum 2008, AARP International)
Nursing…Expectations/Opportunities (cont.)

• “We are very focused on being an active voice at the table and talking about what kind of reform makes sense” (Edward Hanway, CEO, Cigna)

• “A non-physician (such as a nurse) may serve as a trusted advisor and medical home to coordinate services effectively and efficiently.” (2008 AAMC)
Nursing…Expectations/Opportunities (cont.)

• “Medical practices led by physicians, nurse practitioners, and physician assistants are a logical place to turn for these services, particularly practices with strong nursing and other dedicated staff support…”  
  (June 2008, MedPAC Report)

• “Policymakers could consider ways to use some of these GME and IME subsidies toward promoting training in primary care. For example, a portion could be targeted specifically… allocating shares toward nurse practitioners and physician assistants – key professionals in managing patients’ chronic conditions”  
  (June 2008, MedPAC Report)

Support for Working in Teams and Groups to Improve Patient Care

Percent reporting very important/important for improving patient care

<table>
<thead>
<tr>
<th></th>
<th>Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctors and nurses working closely as teams with expanded role for nurses</td>
<td>48%</td>
<td>27%</td>
</tr>
<tr>
<td>Doctors practicing with other doctors in groups, rather than on their own</td>
<td>38%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Nursing....Expectations/Opportunities (cont.)

• “Make an on-site clinic work...We can have it at a level that works using certain types of providers, such as just having a nurse available to measure blood pressures to check employee care compliance or to get people into the right care” (Brent Pawlecki, MD, Pitney Bowes, April 2008, “Managed Health Care Executive”)

• “With so many of our institutions co-located with various health professional schools, we have a golden opportunity to facilitate interprofessional learning on this issue” (Darrell Kirch, M.D., October 2008, AAMC)
Questions Nurses Should Ask About Health Reform Proposals

1. Is it inclusive?
2. Does it improve access to health care?
3. Does it reallocate resources to support primary care and prevention?
4. Does it rely on evidence-based care and reward quality?
5. Does it tackle disparities?

(American Nurses Association)
Questions Nurses Should Ask About Health Reform Proposals (cont.)

6. Is it affordable for families, businesses, and employers?

7. Does it demand accountability, transparency, and equity?

8. Does it invest in nursing?

9. Does it open the door for RN’s to optimize their skills, knowledge and abilities in all roles and settings to help patients?

10. Does it provide a coherent national health care vision and strategy?

Next Steps for Nurses

• Build the evidence
• Bring creativity
• Focus on health care organization
• Engage public policymakers
• Capitalize on new opportunities
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Connecting resources and knowledge to strengthen the health of people in rural communities.