Health Insurers Dangle Guarantee as Mandate Bait

BY MARY ELLEN SCHNEIDER
New York Bureau

As a new administration prepares to tackle health care reform, the health insurance industry is offering a few suggestions.

America’s Health Insurance Plans (AHIP), which represents about 1,300 companies covering more than 200 million Americans, says its members would be willing to guarantee coverage for individuals with preexisting medical conditions in exchange for a government mandate that all individuals purchase health insurance.

AHIP’s board of directors issued the proposal after conducting a nationwide “listening tour” on health care during which many Americans raised concerns about the lack of coverage for preexisting conditions in the individual insurance market.

But to make guaranteed coverage a reality, the federal government will need to require that individuals purchase coverage and use mechanisms such as an insurance coverage verification system, an automatic enrollment process, and some type of enforcement, the group said.

When coverage is guaranteed and there is no mandate to have insurance, individuals tend not to purchase insurance until they get sick, which drives up costs, said Robert Zerbeh, a spokesman for AHIP.

For example, a study conducted on behalf of AHIP by Milliman Inc. found that in many states that implemented guaranteed issue or community rating policies in the 1990s, there had been a rise in insurance premiums and a reduction in individual insurance enrollment. In addition, some health plans had left the individual insurance marketplace.

Another aspect of the AHIP proposal aims to increase the affordability of health insurance plans on the individual market. The group suggests lowering costs for consumers through refundable tax credits.

In addition, it proposes tackling the overall cost of medical services by expanding the use of preventative services, conducting comparative effectiveness trials for medications and devices, and reforming the medical liability system.

The AHIP proposal also supports expanding eligibility for Medicaid and the Children’s Health Insurance Program. “No one should fall through the cracks of our health care system,” said AHIP President Karen Ignagni in a statement. “Universal coverage is within reach and can be achieved by building on the current system.”

Affordability will be critical to the success of any proposal, said Ron Pollack, executive director and vice president of Families USA, a nonprofit, nonpartisan organization focused on health care affordability. “It’s the ball game,” he said. “How can you require someone to do something they simply can’t afford?”

Families USA supports the idea of a mandate for health insurance coverage, Mr. Pollack said, but only if it includes adequate subsidies and help for those who can’t afford to purchase coverage on their own.

Survey: Many Primary Care Physicians Are Disgruntled

BY JANE ANDERSON
Contributing Writer

About half of primary care physicians responding to a survey by The Physicians’ Foundation said they plan to reduce the number of patients they see or stop practicing entirely over the next 3 years. In addition, 94% said the time they devoted to nonclinical paperwork in the last 3 years has increased, and 63% said that the same paperwork has caused them to spend less time per patient. Moreover, 78% said they believe there is a shortage of primary care doctors in the United States today, while the same percentage said medicine is either “no longer rewarding” or “less rewarding.”

The survey, which painted a grim picture of primary care physicians’ satisfaction with their profession, was mailed to 270,000 primary care physicians and more than 50,000 specialists, and returned by 11,950 physicians.

“I have wanted to be a doctor since I was 4 years old,” wrote one physician in response to the survey. “If anything, I spend too much time with patients. I also spend far too much time on demeaning tasks that do not require a medical degree. I am burned out. My income is so low (because I spend so much time with patients and therefore see fewer) that I am in debt. It is disgraceful and disgusting that doctors who save lives (and who bear that responsibility) are treated the way we are today.”

Of the 49% of physicians who told surveyors they would stop practice altogether or reduce their patient loads over the next 3 years, 13% said they plan to retire in the next 3 years, 13% said they plan to seek a job in a nonclinical health care setting, 20% said they would cut back on patients seen, and 10% said they would work part-time.

“Declining reimbursement” rated highest on the list of issues physicians identified as impediments to the delivery of patient care in their practices, followed by “demands on physician time.”

—Mary Ellen Schneider

Democrats Try to Block Regs

Senate Democrats are setting up roadblocks to try to keep the Bush administration from finalizing a regulation that would tighten protections for health care providers who object to providing abortion services. Sen. Hillary Clinton (D-N.Y.) and Sen. Patty Murray (D-Wash.), jointly introduced legislation (S. 20) that would block any attempt by the administration to finalize, enforce, or implement the regulation. The proposed regulation, which was issued in August, would require recipients of Health and Human Services department funding to provide written certification that they would not discriminate against health care providers for refusing to perform or participate in abortion or sterilization procedures. This regulation has been the source of controversy since July when a draft of the document first began circulating publicly.

Critics of the proposal, including the American College of Obstetricians and Gynecologists, said the regulation could limit access to accurate and complete information and reproductive health services and jeopardize the doctor-patient relationship.

Poor Care Behind Most Paid Claims

Most perinatal malpractice claims that are paid are the result of substandard care that results in injury, according to a new study published in the December issue of Obstetrics & Gynecology. Researchers reviewed 189 perinatal care claims paid from 2000 and 2005 and found that about 79% of all the closed obstetric claims involved substandard care. These cases accounted for 79% of the costs associated with all 189 claims. These findings point out that “the main key to addressing litigation costs involves implementing proven protection patterns and adherence to current standards of care.” However, obstetricians may be able to take steps to minimize their malpractice risk, the researchers found. For example, in more than half of shoulder dystocia cases, payment was mainly due to poor documentation. Also, 80% of vaginal birth after cesarean cases could have been avoided if the procedure had been limited to only women with spontaneous labor.

Special Medicare Advantage Plans

Medicare officials have identified 15 cardiovascular disorders, chronic heart failure, diabetes, and other health conditions as a Chronic Care Medicare Advantage Special Needs Plan. The conditions are certain that the government will have to pay for an additional $10 per covered life. In addition, 94% said the time they devoted to nonclinical paperwork in the last 3 years has increased, and 63% said that the same paperwork has caused them to spend less time per patient. Moreover, 78% said they believe there is a shortage of primary care doctors in the United States today, while the same percentage said medicine is either “no longer rewarding” or “less rewarding.”

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