ESSENTIAL ELEMENTS FOR NATIONAL HEALTH CARE REFORM

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Society for Social Work Leadership in Health Care – Michigan

This paper is intended for broad distribution to inform and influence forums addressing health care reform, resulting in the incorporation of these essential elements in our nation's future health care system.

Across the country there is a growing demand for health care reform. It is being driven by an increasing number of uninsured citizens who lose health care benefits when they lose their jobs; increasing costs and disparities in care; provider manpower shortages; inadequate attention to preventative health care; and excessive and duplicative administrative costs. This is in addition to the nearly 50 million Americans who were either uninsured or underinsured before the current economic crisis.[1] The manufacturing base of this country can no longer compete with international companies who do not have to bundle the costs of employee health care into the prices of their products. The threat of job loss or benefit reductions with employer-based health insurance coverage is a matter of national concern. Individuals, families, businesses, governmental units and entire communities are being financially strained in unsustainable ways.

Nationally, citizens, health care providers, and leaders in business, labor, and government are finally voicing a need for comprehensive health care reform. States are beginning to experiment with forms of universal health care coverage. The country can no longer ignore the injustice, indignity, and expanding economic devastation caused by the inadequacies of the current health care system. A poll conducted by Harris Interactive for the Commonwealth Fund in 2008 found that 81 percent of Americans who were insured all year and 89 percent who were uninsured at some point in the year called for fundamental change or a complete rebuilding of the country's health care system.[2] Persons who previously have been unmoved by the plight of the uninsured are increasingly aware of the vulnerability of the underinsured, and the very real possibility that they may join this group. Broad consensus is emerging in Michigan and across the country to address the problems within America's health care system, which include disparities in access to care, lack of quality care, unequal distribution of resources, ever increasing cost, economic devastation for families and businesses, social justice inequities, provider manpower shortages and failure to promote prevention measures.

This Health Care Reform Policy Position Paper presents ten essential elements that the National Association of Social Workers – Michigan Chapter (NASW-MI) and the Society for Social Work Leadership in Health Care – Michigan Chapter (SSWLHC-MI) believe must be included in the reform of our national health care system. It is the product of a collaborative effort between NASW-MI and SSWLHC-MI and has been endorsed by the National Board of the Society for Social Work Leadership in Health Care.

It is our belief that ultimately a publicly funded, single payer insurance program must be a principle component of a comprehensive and cost-effective plan to achieve universal coverage. Other models must be considered and endorsed but represent incremental improvement rather than the sweeping reform that is needed.

Essential Elements

1. Reform must provide coverage for all citizens of the United States.

According to the Institute of Medicine, "The growing number of uninsured Americans – totaling 45.7 million as of 2007– is taking a toll on the nation's health". [3] Further, the Institute finds that each year 18,000 Americans die needlessly because they lack access to care.[4] In 2008, the average annual premium for family health insurance was $12,680, an increase of about 5%

from the 2007 average premium. Since 1999, average premiums for family coverage have increased 119%.[5] Such huge increases in coverage premiums are making access to private health plans impossible for many working families and virtually all families facing unemployment or under employment. Only the federal government has the capacity, resources, and experience necessary to build an adequate framework for health care for all citizens. This does not mean that individual consumers of health care should not bear some cost considering "ability to pay", but the inability to pay should not be a barrier to necessary health care.

2. Reform must monitor and cap administrative costs.

Social workers support a single payer system. This appears to be the most cost effective way to reduce administrative costs. If a single payer, publicly funded plan is not feasible, oversight and coordination of any and all private, for-profit insurers must be implemented. Further, consideration must be given to capping the administrative costs of any plan, whether public or private, to a maximum of 15%. Over 31% of every health care dollar goes to administrative expenses such as paperwork, overhead, CEO salaries, profits, and other non-clinical costs.[6] Data, including report cards, indicating the amount of administrative cost, salaries for top executives, and profit earned by a particular insurer must be made easily accessible to the public to assist in their plan selection process.

3. Reform should require the integration of physical and behavioral health care services, including parity for mental health and substance abuse services.

There is ample evidence that behavioral health issues affect quality outcomes for physical health disorders. A study published in 2006 by the National Association of State Mental Health Program Directors reports that persons with serious mental illness die 25 years younger because of physical health disorders that are not adequately treated.[7] As noted in the Michigan Commission on Aging Advisory Council 2006 Annual Report addressing Mental Health for Older Persons, studies have found that depression is a risk factor for chronic illness and contributes to higher symptom burden, complications and mortality.[8] Chronic illness is a risk factor for depression and each factor complicates the other. These findings are supported by the U.S. Surgeon General's Report on Mental Health (1999)[9] and the President's New Freedom Commission on Mental Health (2003)[10]. Programs across the country that truly integrate physical and behavioral care are achieving better outcomes and reducing costs. Health care reform efforts must provide incentives to systems of care that integrate physical and behavioral care services.

4. Reform must include provisions that improve the quality, safety, and outcomes of health care services.

Despite having the highest per person cost for health care in the world, in 2000 the United States was ranked 37th in the world by the World Health Organization for overall health system performance and 72nd for level of health .[11] Requiring providers to implement evidence based practices is a first step in improving health care outcomes. The establishment and funding of national research centers and national data bases to develop and disseminate best practice standards is also essential. This improvement will also include ensuring that all care is culturally appropriate. The professional social worker is an expert in this area.

5. Reform should reward providers who achieve quality outcomes in efficient cost-effective care.

The United States spends 16 percent of its gross domestic product (GDP) on health care.[12] The Congressional Budget Office projects that, without changes in the law, total spending on health care will rise to 25 percent of the GDP by 2025 and 49 percent in 2082.[13] While most major industrialized nations spend only 8 percent to 10 percent of their GDP on health care[14], they achieve significantly better health outcomes in life expectancy, infant mortality, and other

conditions.[15] Our current system of financing creates incentives for overuse of health services in some cases and the denial of needed care in others. Realigning incentives for providers to offer the right amount and kind of care when it is needed is critical.

6. Reform must provide coverage and adequate services for catastrophic care.

More than half of all personal bankruptcies in the United States are precipitated by the costs associated with a health care crisis.[16] Families who are caring for a severely disabled child or elder should not be driven into poverty as a consequence of providing that care. Financing for care must keep pace with technological advances that save and improve the quality of lives of the severely disabled and chronically ill.

7. Reform must include greater use of information technology which allows providers to coordinate care, reduce costs, avoid errors, and eliminate unnecessary redundancies.

The development of electronic medical records is a first step in providing quality care through the coordination of treatment plans and the reduction of errors. As portable electronic records evolve, adequate protections for securing the patient's record must be assured.

8. Reform must provide for preventative care and other health promotion services.

Our current health care system lacks incentives for the patient and the provider to engage in disease prevention and health promotion strategies. An examination of spending on preventive services, health promotion, and health protection estimates that 3 percent of national health spending and 0.7 percent of GNP (Gross National Product) was spent on wellness activities, an increase of just 1.4 percent since 1929.[17] Services designed to prevent or delay the onset of disease are far less costly that the expense of care once disease has occurred. Structuring economic incentives to motivate providers, payers, and consumers to use preventative measures should be included in health care reform. For example, implementing obesity prevention programs can reduce treatment costs resulting from obesity related conditions such as diabetes ($98 billion current health care cost) and hypertension ($4.1 billion). Obesity leads to 62.7 million related physician visits and 39.3 million days of lost work per year.[18] Structuring economic incentives to promote prevention will reduce overall health care costs.

9. Reform must promote the patient and family as the center of all care and decision making and assure the protection of patient rights.

There is ample research documenting that patients do better when they are informed, educated and included in the decision making process. Providers should be knowledgeable of, and inform patients of, their rights and options, including compassionate end of life options, and must be supported in their efforts to educate, counsel, and fully engage patients and families in a shared decision making process. Standards ensuring patient rights should be established, including access to a fair and independent appeals process if care is denied.

10. Reform must promote coordination of health services and service integration to address the total needs of the patient, her or his family, and life environment.

While providers of health care services in a reformed system should be licensed and credentialed in their respective professions and enjoy some level of professional independence, each provider in a reformed system must work as a part of a team that recognizes the interrelationship of health care to other factors affecting the patient's health. This will require moving beyond treating each episode of illness as an isolated incident and focusing on long term needs and the prevention of undesired health conditions. As essential members of the health care team, social workers provide important services to the patient and family including case management; advising and educating regarding care options; coordinating care between patient and provider(s); and facilitating the development of the patient's ability to assume more responsibility for disease prevention and health promotion.

Action Alert

The membership of the Michigan social work organizations responsible for this Health Care Reform Policy Position paper welcome comments and reaction from readers. Our membership intends to use this paper as a basis for future discussions on health care reform and participation in health care reform efforts.

Those wishing to comment or invite social workers to forums addressing health care reform may contact: Linda Burghardt, Governmental Relations Director, NASW – MI Chapter (Lburghardt@nasw-michigan.org) or David Neal, Chairperson, SSWLHC-MI (dneal@med.umich.edul).

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