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Customized Briefing for Kimberly Barry-Curley

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Leading the News

Obama asks for labor's help in healthcare fight.

In a [speech](#) to a union audience in Cincinnati yesterday, President Obama praised organized labor's achievements, and reportedly previewed themes he's expected to lay out in his healthcare address to Congress on Wednesday. The President's speech, which led all three network newscasts last night, is receiving largely positive media reviews, with a number of commentators highlighting the hard-hitting tone of Obama's remarks.

The [Washington Post](#) (9/8, Mostrous) refers to "a stirring campaign-style speech," as "Obama stepped back into the fray, shirtsleeves rolled up, with an emphatic defense of his policies and his young presidency." Adds the Post, "In abandoning the cool, patient tone he adopted at healthcare town hall meetings over the summer, Obama signaled that he is ready to take a hard-line approach on Wednesday, when he will deliver a crucial address on reform to a joint session of Congress."

Along similar lines, the [Los Angeles Times](#) (9/8, Nicholas) calls Obama's speech "combative," and portrays the President as "eager to recapture some of the enthusiasm that propelled him during his campaign." The [Christian Science Monitor](#) (9/8, Sappenfield) says of the tone of the speech, "It was a glimpse of the president that many Democrats had hoped they had elected in November -- a forceful figure using his considerable rhetorical repertory and a clear political mandate to grasp the presidency in his fist." Obama "was in campaign mode once more, seeking to regain some of that lost ground." [The Politico](#) (9/8, Lee), [Bloomberg News](#) (9/8), and [The Hill](#) (9/8, Youngman) also cover the story.

Obama expected to reach out to Republicans in speech Wednesday. Under the headline "What Obama Will Say In His Address," [The Politico](#) (9/5, Allen, Brown) reported that President Obama "plans to reach out to Republicans and reassure -- rather than confront -- his liberal supporters when he addresses an extraordinary joint session of Congress" on Wednesday evening. The Politico noted that the "high-stake speech" is "risky because if poll numbers on healthcare reform don't improve after he speaks, it will be clear that the problem isn't in the packaging, but in the proposal itself." The Politico also said Obama "will try to reassure the left about his commitment to a public option." The [New York Times](#) (9/6, A1, Calmes) also reported the story on its front page.

Legislation and Policy

Advertisement

The advertisement features the logo for CAN (Corporate Angel Network) with an arrow pointing to the right. Below the logo, the text reads: "Donate an empty seat on your corporate aircraft to give a cancer patient a lift to life-saving cancer treatment at no cost or inconvenience to you." At the bottom right, the phone number "(914) 328.1313" is displayed in a bold, yellow font.

Obama advisers decline to say whether lack of public option would trigger a veto.

Media coverage of interviews with White House officials Robert Gibbs and David Axelrod tend to cast their comments as blurring the White House's stance on the public option. The [AP](#) (9/7, Alonso-Zaldivar), for example, said that the Administration's "bottom line on a government health insurance option blurred Sunday as White House officials stressed support but stopped short of calling it a must-have part of an overhaul." Axelrod told the AP that "Obama is 'not walking away' from a public plan. But asked if the president would veto a bill that came to him without the option, Axelrod declined to answer." He said, "I'm not going to deal in hypotheticals." Gibbs, on ABC's "This Week," said the President "believes a government plan would be 'a valuable tool,'" but the press secretary "danced around the question of whether it has to be in the final legislation."

The [New York Times](#) (9/7, Berger) said that Axelrod had previously said on NBC's "Meet the Press" that the public option "is a good tool" which "shouldn't define the whole healthcare debate." But, under the headline "Axelrod: Firm On Public Option," [The Politico](#) (9/7, Allen) reported that Axelrod said in an email that the Administration "is not dialing back its support for a public health-insurance option as part of a reform bill, and that a comment he made on NBC's 'Meet the Press' was misinterpreted."

The [Washington Post](#) (9/7, Connolly) noted that Gibbs said Wednesday's speech will answer questions about the President's position, "People will leave" the "speech knowing where he stands. ... And if it takes doing whatever to get healthcare done, the President is ready, willing, and able to go do that." Gibbs also said that "Obama is not inclined to make veto threats, as President Bill Clinton did on the issue of universal healthcare," but "I'm sure he will draw some lines in the sand."

White House officials said to be privately content with "pared-back" reform measure. In a story about the political challenges ahead for the President, the [New York Times](#) (9/7, A8, Baker) described him and his team as intent on "recalibrating expectations," adding that "White House officials have signaled that they are prepared to scale back their aspirations for the healthcare legislation. In private conversations, some said they would be happy even if they end up with a pared-back program that can serve as a basis for future efforts." The [Los Angeles Times](#) (9/7, Hook) also covered the story.

Baucus floats healthcare plan without a public option.

The [Washington Post](#) (9/8, Murray) reports, "Senate Finance Committee Chairman Max Baucus (D-MT) is urging three Republican colleagues to sign off on the \$900 billion healthcare reform package they have helped to negotiate over the past two months, in order to add a bipartisan proposal to the mix before President Obama's speech to Congress on Wednesday." Baucus proposed that "instead of a government-run insurance option," a "network of nonprofit cooperatives -- an alternative" that Sen. Chuck "Grassley (R-IA), the lead Republican negotiator, has backed." Baucus would also "levy a tax on insurance companies that offer the most expensive insurance plans, a move that would raise around \$180 billion over the next 10 years."

Recess said to have failed to ease Democrats' divisions on health reform.

According to a [Washington Post](#) (9/8, Kane, Pershing, Bacon) article titled, "Deeply Divided House Democrats Return To Work -- And The Same Set Of Problems," House Democrats "are in almost the exact position they were in when they left the Capitol in late July." Conservative Democrats "are still leery of supporting a government-funded, or public, insurance option," freshmen "from suburban districts remain fearful of increasing taxes for their wealthy constituents" and "progressives...are still threatening to bring down the legislation if it does not contain a robust version of the public option." The Post continues, "Interviews with a cross section of about 15 House Democrats and half a dozen aides show that there is still overwhelming support for some overhaul of the healthcare system," but "the caucus remains deeply divided...and now faces a public that is more skeptical than when House committees began drafting the plan two months ago."

Some concerned health reform would provide benefits for illegal immigrants.

The [New York Times](#) (9/6, A22, Preston) reported that the "prickly issue of public benefits for illegal immigrants has resurfaced in the healthcare debate." During town hall meetings over the summer recess, members of Congress "faced persistent questions from constituents worried that healthcare changes could leave taxpayers footing medical bills for illegal immigrants." President Obama "has not been able to extinguish the doubts despite giving repeated assurances that illegal immigrants would be excluded from any subsidized benefits" under Democratic proposals, and legislators "have taken to reading directly from the House and the Senate bills at town-hall-style

meetings."

House, Senate expected to address rising insurance costs, Medicaid eligibility.

The [Los Angeles Times](#) (9/8) reports, "Returning from their summer recess, congressional lawmakers are facing a climatic showdown to the yearlong struggle over healthcare." House Democratic leaders "are synthesizing the proposals of three committees, but floor debate has not begun." Meanwhile, "In the Senate, a bill close to the expected House blueprint has been approved by the health committee," but "a less liberal version is being developed by the Senate Finance Committee, where moderate Democrats are negotiating with a handful of Republicans." With regard to rising insurance costs, the House is expected to "create a government-run 'public option' plan to compete with private insurers," and to "set up state insurance pools." The Senate is "likely to reject the public plan," however, "in favor of establishing private cooperatives." Both the House and Senate are expected to "expand Medicaid eligibility," and to "forbid insurance companies from refusing coverage on the basis of preexisting conditions."

Insurers' unpopularity partially attributed to rescission practices.

The [Washington Post](#) (9/8, Vick) reports, "Rescission -- the technical term for canceling coverage on grounds that the company was misled -- is often considered among the most offensive practices in an insurance industry that already suffers from a distinct lack of popularity among the American public. Tales of cancellations have fueled outrage among regulators, analysts, doctors and, not least, plaintiffs' lawyers, who describe insurers as too eager to shed patients to widen profits." According to the Post, "Those sentiments have become central to the healthcare debate. ... Each of the bills pending in Congress would prevent insurers from rejecting clients because of preexisting conditions."

Reform said to threaten urban safety net hospitals.

The [AP](#) (9/8, Johnson) reports, "The proposals in Congress may threaten the funding and future of the nation's already-struggling safety net hospitals. ... Hospital leaders support expanding insurance coverage to more Americans, but they worry financing the expansion will cause some teetering urban hospitals to deteriorate and close." According to the AP, "They point to Massachusetts, the laboratory for healthcare overhaul, where one safety net hospital, Boston Medical Center, is suing the state claiming it's covering too much of the cost for expanding coverage. Another safety net standby, Cambridge Health Alliance, has closed health centers and cut services; its Somerville Hospital no longer keeps patients overnight."

Public Health and Private Healthcare Systems

Data on disparities in Medicare spending said to be fueling payment debate among certain states.

The [New York Times](#) (9/8, A12, Pear) reports that according to new data from the Medicare Payment Advisory Commission, "Medicare costs per patient in" Boston and New York City "are slightly below the national average when the numbers are adjusted for the cost of living and other factors." The panel "told Congress recently that much of the variation could be explained by local differences in the cost of providing care and in the health status of beneficiaries, as well as by extra payments...for hospitals that train doctors or treat large numbers of low-income patients." The data "add fuel to a raging debate over what Congress should do to reduce" such geographic disparities. President Obama has said that "the nation could save huge sums if all doctors and hospitals were as efficient as those in lower-cost states." While "lawmakers from those states have reached an agreement with House Democratic leaders that would increase federal Medicare payments to health providers in their states," lawmakers in "higher-cost states...are fighting back."

Court allows suits to reverse Hawaii's transfer of Medicaid patients to managed care plan.

[American Medical News](#) (9/7, Sorrel) reported, "A Hawaii federal trial court in recent rulings gave the go-ahead to a lawsuit filed by a group of physicians and patients seeking to reverse the state's transfer of Medicaid patients who are elderly, blind, or disabled into a

managed care plan." At issue are "three-year contracts worth \$1.5 billion" awarded by the state's Department of Human Services to "subsidiaries of two of the nation's largest health plans, UnitedHealthcare and WellCare Health Plans." The suit alleges "that insurers in the Quest Expanded Access program do not have sufficient networks to guarantee uninterrupted access to care, as required by federal Medicaid laws."

Senior Market News

Waiver allows Ohio elderly to live at home.

The [Columbus Dispatch](#) (9/6, Candisky) reported on Ohio's Home First waiver, which "allows Medicaid-eligible nursing-home residents who want to return home or live in a less-restrictive setting to get home-care or assisted-living services without a wait." According to the Dispatch, "164 Ohioans have accessed immediate care under the waiver" since July, "when cuts in state aid to long-term care services created waiting lists for popular long-term care services such as PASSPORT." Central Ohio Area Agency on Agency spokeswoman Bethany Dohnal notes that the agency "has helped 23 residents" with their waiver. Currently, the waiting list for "enrollment in home care and assisted living" in Ohio is at 364, "according to Karla Warren, spokeswoman for the Ohio Department of Aging. State officials project it could reach 8,000 by June 2011, the end of the two-year budget."

Uninsured

Young adults most likely to be uninsured.

The [New York Times](#) (9/5, A12, Fuller) reported that according to the Kaiser Family Foundation, "the age group of people 19 to 24 years old has the highest percentage of uninsured individuals." In 2007, 30 percent of them did not have health insurance, "a number almost certainly driven higher in an arid job market. An additional 26 percent of people 25 to 34 years old were uninsured, Kaiser found."

Hospitals said to shift costs from uninsured to insured patients.

The [Miami Herald](#) (9/6) reported on what many hospital administrators agree is a confusing system of calculating charges for hospital patients. The article focuses on South Florida man Robert Dollar's \$23,396.30 bill for his 45-hour stay to receive a cancer radiation treatment. Karen Godfrey, a vice president of Baptist Health South Florida, said Dollar was "trying to make logic out of something that's not logical," because the large bill for insured patients often reflects widespread cost shifting away from uninsured patients who receive treatment. Matt Muhart, chief financial officer of Memorial Healthcare System "says the system lost \$180 million last year in uncompensated care."

Also in the News

Survey projects medical care may cost insurers 10.5-percent more in 2010.

[American Medical News](#) (9/8, Berry) reports that according to a survey conducted by Aon Consulting, it will cost insurers "about 10.5-percent more to pay for members' medical care next year." The estimate is based on Aon's annual "survey of health insurers." Notably, the latest projection is "down slightly from an anticipated 10.6-percent increase a year ago, and well down from 16-percent annual increases in 2002 and 2003." As medical costs continue to rise, "physicians can expect tighter medical management by health insurers, including scrutiny of diagnostic testing and tighter controls on prescriptions," analysts said. However, the "medical-cost trend doesn't usually translate directly into health insurance premium costs -- premiums probably won't go up by exactly 10.5 percent." Premium increases will depend on "whether insurers choose to make any other changes to their plans."

Flat-rate physicians' offices gain popularity.

[NBC Nightly News](#) (9/6, story 6, 2:20, Jansing) reported on Q-Liance, "a doctor's office that charges a flat rate, a membership fee like a gym. Forty nine to 79 dollars a month covers unlimited office visits seven days a week that average half and hour. Check-ups, sick visits, x-

rays, basic tests all included. This kind of monthly fee practice isn't new but it's been used primarily by the wealthy who pay a lot of money to have access to this kind of care. What's interesting is that now this is being seen as one of the solutions to the problem of the high cost of medical care." Venture capitalists "have invested seven million dollars in Q-Liance which has doubled its number of patients in a year. Similar practices are open in 17 states. Patients still need to buy insurance for catastrophic coverage."

Survey suggests HMO-linked physicians place more importance on quality-of-care measures.

[MedPage Today](#) (9/4, Gever) reported that "less than 20 percent" of physicians not linked to HMOs "cited patient-satisfaction surveys or care-quality measures as factors affecting their pay," according to a survey "more than 4,700 physicians" by the Center for Studying Health System Change. The poll, "billed the as a snapshot of physician characteristics in 2008," found that HMO physicians "listed patient satisfaction surveys and practice financial performance (59 versus 62 percent) as important in determining their pay"; and quality-of-care measures "were cited as important by 45 percent of HMO physicians, compared with seven percent to 11 percent of physicians in solo or small to mid-sized group practices." Among other measures, the snapshot also includes physicians' ratings on job satisfaction, percent of revenue from Medicaid/Medicare, ownership stake in their practices, and practice size and earnings.

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