Health Care Reform Symposium

State Governments

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S. 1796: America's Healthy Future Act of 2009

• The controversy associated with the issue of health care reform in the state government primarily is:

  ... “To provide affordable, quality health care for all Americans and reduce the growth in health care spending...”
State Government’s Health Care Reform

• Benefits of the Reform is for the greater good of all including:
  • The underinsured
  • The elderly
  • Families

• To ensure safe working environments for healthcare professionals.
  • Through prevention programs
  • Safe staffing, decreased severity of illnesses with patients.
Social, Legal and Economic Issues Related to the Issue

• Social Issues
  • Insurance access for more individuals
    • The unemployed
    • Individuals with preexisting illness
    • Seniors
  • Better prevention
  • Fair practices
Social, Legal and Economic Issues cont.

• Legal Issues
  • Increased federal government power over state government
  • States legally required to participate in healthcare reform
  • States forced to create laws to enforce healthcare reform
Social, Legal and Economic Issues cont.

- Economic Issues
  - Reduction in uncompensated care costs for state
  - No ongoing federal financial support
  - Unfunded enforcement of healthcare reform
Ethical Principles and Considerations

“Ethics refers to determining right and wrong in how humans relate to one another. Ethical decision making for health care reform then would require human beings to act in consideration of our relationships to each other not our own individual interests.”

- B. O’Malley
Ethical Principles cont.

- Consider this….
  - All ethical decision making is structured around values.
  - Universal health care policy can only be embraced when
    - Agreement to the collective value of equity & fairness
    - Embracing goal of meeting their collective responsibility to each other
    - At the same time maintaining individual rights and freedoms
Ethical Principles cont.

• Is health care considered to be an explicit right under the U.S. Constitution?
  • No. Neither the U.S. Constitution nor Common Law recognize an affirmative right to health care in the U.S.
  • In the 1700’s local governments assumed a “social contract” with their communities to protect the public health.
  • A gradual overwhelming of this social contract occurred with the growth of industrialism and capitalism.
  • Since early 1900’s State governments no longer recognize and obligation to provide health care.
Ethical Principles cont.

- Questions which can be used in ethical decision making for health care reform
  - What action will bring the most good to the most people?
  - What action in and of itself is a good act and helps us to fulfill our duties, obligations and responsibilities to each other?
  - What action in and of itself shows caring and concern for all citizens?
Ethical Principles cont.

• Ethical dilemmas for State Governments
  • Should government be allowed to regulate the behavior of individuals in the name of health?
  • If so, does such a warrant also impose an obligation on the part of government to intercede?
  • May state government ration health care?
  • Which access restrictions, if any, will be put in place for participation in State funded health care?
  • To what extent should State government limit third party (insurers, employers, hospitals) control in health care delivery?
  • Is it acceptable to transfer an indigent patient?
  • Is it acceptable to transfer a person out of a nursing home when funds run out?
Ethical Principles cont.

• The issue of the un-insured
  • Obama Universal Health Plan: affordable and accessible health care for all.
  • Coverage for 46.5 million uninsured – does not include over 30 million non-citizens
  • Federal law requires hospitals to screen and treat all patients in an emergency.
  • States and hospitals shoulder the burden of caring for non-citizens without Federal funding
  • Federal government prohibits States from caring for non-citizens with federal funds
  • Does allow States to pass laws and independently fund health care for non-citizens (and supplement federal health care funding with state funds – Prenatal care & SCHIP
Ethical Principles cont.

- Arguments against Federal position
  - Exacerbates health care costs by denying less expensive preventative care
  - Public health concern (early recognition, treatment and containment of infectious diseases)
  - Does not support human rights issues
  - Heavy burden on hospitals – closings – transfer social cost/problem to the State (no care for the insured)
  - Some hospitals repatriating “expensive” patients
Ethical Principles cont.

• Universal Health care Initiatives
  • Massachusetts & CA – taken lead in universal health care plans to cover uninsured populations.
  • MA – focus on 3 main areas of responsibility
    • Individuals
      • Imposes tax penalty on individuals who do not purchase minimal credible coverage health insurance
      • Commonwealth Connector = independent state agency – helps residents navigate their health care coverage options
      • Commonwealth Choice plan utilizes centralized purchasing pool to leverage lower premiums that individuals can afford
Ethical Principles cont.

• MA – focus on 3 main areas of responsibility cont.
  • Government
    • Commonwealth Care = subsidized insurance program for those with incomes between 100%-300% of fed poverty level.
  • Employers
    • 11 or more employees – employers must offer insurance or pay surcharges
    • Makes it more likely that employers will offer health insurance
    • CA – 10 or more employees : insurance or pay penalty.
  • Insurers (CA)
    • Requires insurers to spend 85% of premiums on health care
Stakeholder Associations in Opposition

• Insurance Companies
  • Decreased revenue due to lower premiums
    • Increase in consumers purchasing may offset costs
  • Increased regulation

• Pharma
  • Increased regulation
  • Annual fee for importing medications
Stakeholder Associations for Collaboration

- ANA, AMA and Hospitals
  - For increasing number of insured people
    - Fewer patrons requiring State funded programs, less unemployment due to medical illness
    - More people working means increase in tax revenue
  
- For prevention programs
  - Stop smoking, childhood obesity programs, etc. to prevent long term care for chronic illnesses requiring state funding

- For less defensive medicine
  - Decrease excess expenses in care to prevent lawsuits filling the court system
Stakeholder Associations for Collaboration Cont.

- ANA, AMA and Hospitals
  - Maintain the rights of patients and their physicians to make health related decisions themselves without influence from government

- Ensure safe working environment for Physicians and Nurses
  - Decreased acuity of patients leads to less mistakes in institutions
  - Safe staffing leads to quality work
Throughout history almost every new piece of legislature has incited controversy and produced debate over its pros and cons.

Healthcare reform is no exception.
Closing Statements cont.

• State’s Stance on Healthcare Reform

  • Will produce *real benefits* for:
    • The State:
      • Budget will be relieved from reduction in uncompensated care costs.
      • Decrease the state employee premiums.
    • Families:
      • Gives restrictions of annual and lifetime limits for coverage.
      • Ensures free preventive services.
Closing Statements cont.

- State’s Stance on Healthcare Reform cont.
  
  - Will produce *real benefits* for:
    
    - Seniors:
      - Decreases prescription drug spending.
      - Lowers premiums by reducing Medicare’s overpayments to private plans.
    
    - Small Businesses:
      - Tax credit makes premiums more affordable.
      - Exemption from employer responsibility provisions.
References


References (cont.)


