

## Health Care Reform

November 3, 2004

## The Health Care Reform Debate: What Happened?

- 37 Million Americans lack Medical Insurance
- 150 million lack Dental Insurance
- Millions are underinsured and the scope of coverage is declining
- Minorities, low income individuals, and those with limited education are particularly at risk and have the highest disease levels

## The Health Care Reform Debate: What Happened?

- 20% of Medicaid eligible children actually receive care
- Over 50% of the homebound elderly have not seen a dentist in over ten years.
- Upon retiring, 85% of Americans have no dental insurance.

## Reasons for Reform

- **Problems with current system**
  - Private insurance cherry picks the healthy
  - Medicaid mandates- states are seeking relief
  - Employers need to be competitive; reduce costs, make employees pay more for premiums

## Ginzberg: Health Swamp

- Satisfactory for most people so don't tinker
- 1/7 no insurance but they are children; rarely use physicians and hospital
- 1/7 Medicaid; deficiencies in health care
- 1/7 poor insurance; catastrophic illness can be devastating
- 2/3 good coverage; 65 Billion annual tax subsidy benefits wealthy
- Affluent elderly get more benefits from Medicare than they contributed in taxes or premiums, particularly for Part B (pay only 25% of the annual cost)
- Physicians' incomes average:\$165,000
- Most of 5,200 hospitals operate in the black

## ADA and AMA

- The AMA sees reform as inevitable so why not shape its future rather than fight it and ultimately lose with no influence on its shape and scope.

## ADA

- The task force on access, health care financing and reform of the ADA-
  - ◆ Dental benefit programs should continue to be treated separately from hospital-medical-surgical benefit programs.
- Comment: Dental plans standing on their own are convenient targets of budget cutters.

## AMA

- AMA news 1990
  - ◆ Lesson from 1964 AMA “wrote” Medicare legislation; placed itself at the center of the debate in 1964.
- A fault of the Clinton Health Care Reform plan was that it did not include the AMA and similar professional groups in the decision making process.
- **Expand access to Americans** who lack it
  - ◆ Why? -more money dedicated to medicine more income for physicians.
- **Health Access America**; don’t destroy the entire system, fix Medicare pump more money into it with a trust fund reserve, don’t depend on congressional budgets.

## AMA (Uniform Eligibility and Consistent Benefits, Throughout the Country)

- Reduce the cost of defensive medicine
  - ☞ Expand Medicaid to cover everyone below the poverty level
  - ☞ Health insurance coverage for all full-time employees
  - ☞ State risk pools to confer the medically uninsurable
  - ☞ Revamping tax treatment of employee health care benefits
  - ☞ Developing practice parameters to assure the delivery of high quality care
  - ☞ Reducing administrative cost to both physicians and patients

## AMA: 9 Key Unresolved Issues Before Congress

- ☞ **Bureaucracy**
- ☞ **Physical autonomy**
- ☞ **Patient choice**
- ☞ **Liability reform**
- ☞ **Antitrust relief**
- ☞ **Red tape**
- ☞ **Arbitrary caps**
- ☞ **Medical education**
- ☞ **Quality assurance**
- ☞ **Medicare/Medicaid cuts**

## Oregon: Rationing of Health Care

### Implemented 1994

- **Control Cost and Increase Access to Health Care Low Income and Medicaid Population.**
- **Limited Covered Services to a State Approved List**
- **Services Ranked From Most Important to Least Important**
- **Covered Services Determined by Available Funding**
- **Merged Medical and Dental Services**
- **Many Dental Services Ranked Higher Than Medical Services**
- **Plan Previously Did Not Cover Any Adult Dental Care Now Has Very Generous Set of Dental Benefits**

## Oregon 1115

- **Commission**; five physicians, four consumers, public health nurse and a social services worker
  - ☞ Effectiveness of treatment
  - ☞ Cost and benefit of treatment
  - ☞ Value of treatment by the public

## Oregon 1115

- 696 services on prioritized list
- #280 dental preventive services
- Note this is before #291 or treatment for non-insulin dependent DM or #300 cardiac arrhythmia
- Obtained a waiver form HCFA

## Oregon 1115

- Oregon experience show that dental benefits when meshed with medical benefits will not necessarily suffer, positive implications for national health care reform.
- Increased fees by 40% in 1994.

## Health Right

- No ortho
- Yes, children's services
- 50% copayment for adults
- 0% copay for preventive services
- Dentists pay 2% of annual gross income
- Must participate in all medical and general assistance programs as well as Health Right as a condition to provide services to state and public employees
- Dentists are required to accept new public assistance patients unless they exceed 20% of the practitioner's family of patients.

## Legislative Process

- Dr. Meskin's editorial opposes Health Right in Minnesota
- "HealthRight guarantees coverage for Minnesotans who lack health insurance. Limits for eligibility appear quite liberal a family of four can earn up to \$40,000 and still be included. For those in lower income brackets, the state offers subsidized premiums based on monthly family income"
  - ◆ ADA's argument "any increase in fees could drive away those patients who are marginally able to afford dental care"; doesn't make sense; people who provide more services to these people not drive them away.

## ADA

- ADA questions whether HealthRight will increase access or merely restructure the payment system for individuals already receiving care under public assistance.
  - ◆ Then the most spurious argument
    - "We must also consider potential of loss of substantial free or contributed dental care currently supplied by dental practitioners;. Motivation to continue these charitable efforts could be severely limited..

## Legislative Process

- Special Care in Dentistry 1992: Dentistry and National Health Reform: A call to action
- "We must stand up and be counted, the public is beginning to accept health care as a right and not a privilege. I would suggest we make oral health care a right and not a privilege"
- "We should not make the mistakes our predecessors made nearly 30 years ago when the Medicare debate was undertaken. We should, in fact, learn from our mistakes and establish a pro-active stance on the national healthcare reform debate"

## Covered Benefits: Clinton Health Care Plan

### No lifetime limits

- Hospital services
- Emergency services
- Health professions care delivered in profession offices clinics and other sites
- Clinical preventive services
- Mental health and substance abuse services
- Family planning services
- Pregnancy related services
- Hospice care during the last six months of life

## Dental benefits covered (Clinton Plan)

- Dental Care for Those Under 18 Including:
  - emergency care
  - prevention, diagnosis, and treatment of caries and periodontal diseases
  - prosthetics for genetic defects
  - space maintenance(3-12 years old)
  - interceptive orthodontic treatment after 2001, for 6-11 year old
  - emergency dental care for adults
  - dental care for 18-64 year old after 2001 including:
    - prevention, diagnosis, and treatment of caries and periodontal diseases
    - no endodontics or sealants

## Legislative Process

- ◆ Mobil: Health-care reform: Let's not kill a good thing
- ◆ "It would be a promising beginning to breaking the legislative logjam on health care. Let's get it done and signed into law to provide some relief to those millions of Americans who have been living in fear of losing their health benefits if they leave their job."
  - Why support reform?
    - Allows Mobil to play on a more even field

## Delta Dental

- Advertisement in Newsweek 4/25/94
  - ◆ "To see what health care reform could do to your dental benefits, turn this picture upside down"
  - ◆ Preventive care saves 4 billion a year
  - ◆ Include basic dental benefits from the start, Delta's angle no business if no money! insurance industry is a business did not take out advertisements out of altruism.
- In 2/3/94 Roll Call
  - ◆ "Dental health keeps Americans smiling. So why isn't dental coverage a part of health care reform"

## Legislative Process

- 1199: On the Front Line of Health Care
  - ◆ "If Congress doesn't pass universal and comprehensive care, I'll see more needless suffering, and more preventable deaths. That's not what the American people are expecting from health care reform."
- "What's the bottom line on healthcare reform"
  - ◆ It is a loss of jobs that has 1199 concerned; once again where the money is so are the jobs and the salary increases.

## Koop

- "We are in a crisis and not much will happen until we enter chaos"

## Special Care Dentistry; 1992

### A call to action

- “The political rhetoric and public demand have finally caught up in magnitude with health care spending”
- Dentistry’s fear of Medicare was derived in part form the fear of government intervention and control.
- In 1992 as in 1964 politicians were asking “What is dentistry’s position on this issue”
- No coverage or little for special patient populations under current reimbursement mechanisms.
- Learn from the mistakes of 30 years ago and be proactive?
- Dentistry is a primary health care service and should be considered in any primary care legislation-do you agree?
  - ◆ The dental profession has consistently proved that prevention is a significant factor in reduction of health care costs.