



# *Healthcare Reform:* **A Provider's Prospective**

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Catholic Healthcare West

CHW

## *The Big Picture*



**Assets: \$8.6 billion**

**Acute Care Beds:  
6,782**

**Active Physicians:  
7,617**

**Full-time Equivalent  
Employees:  
47,284**

**General Acute  
Patient Care Days:  
1.7 million**

**Community  
Benefits & Care of  
the Poor: \$966  
million\***

Catholic Healthcare West



- CHW has been engaged in advocating for Health Reform for more than 20 years
- Health Care Reform in California
- National Health Care Reform
  - Meetings with President Obama and Administration
  - Congressional Leadership
  - Health Care CEOs for Health Reform
  - Center for Payment Reform
  - Partnership for Quality Health Care
  - Herndon Alliance



## *Four Core Principles*

- Universal Access
- Stable Financing
- Quality
- Accountability

*“Only in growth, reform and change is true security to be found.”*

*- Ann Morrow Lindberg*



- 60% worry about paying for healthcare
- 72% favor universal healthcare
- 24% of Americans had to choose between paying for necessities and healthcare; 58% of the uninsured
- 22% did not go to the doctor when sick because they couldn't afford it; 61% of the uninsured.

# Total Cost Shift Estimate

**Chart 1**  
**Medicare & Medicaid Cost Shift**  
**in billions**

	<u>Medicare</u>	<u>Medicaid</u>	<u>Commercial</u>	<u>Total</u>
Hospital	(\$34.8)	(\$16.2)	\$51.0	\$0.0
Physician	(\$14.1)	(\$23.7)	\$37.8	\$0.0
<b>Total</b>	<b>(\$48.9)</b>	<b>(\$39.9)</b>	<b>\$88.8</b>	<b>\$0.0</b>



**SCHIP**

**Economic  
Recovery**

**Health  
Policy**

**Federal  
Budget**

**Entitlement  
Reform**

**Health  
Reform**



- **House**
  - Tri-Committee Bills
    - Long 1018 pages
    - Blue Dog Influence – Public plan not tied to Medicare or Medicaid
    - Shows progress – really for getting to conference and making party loyalist happy
- **Senate**
  - HELP
    - No financing included
  - Finance Committee – real play; just released
    - Not Bi-partisan; criticized by both parties
    - No public plan option
    - 262 Pages
- **Conference Committee vs. Reconciliation**

- Majority of Debate on Expanding Coverage
  - Who gets covered
  - How they get covered
  - How to pay for coverage
- Delivery of Care
  - Increased Quality
  - Lower Cost
  - Accountability



- “Pay or play” for employers with individual mandate
- Make SCHIP available to all children in need
- Expand Medicaid and provide premium subsidies for those with low incomes
- Tax credits for small employers to purchase coverage
- Create “National Exchange” that includes *new public program* for uninsured
- Regulating private insurance with guaranteed coverage and rates
- Must not add to deficit; under \$900 billion
- Coverage starts in 2015; 95% of American Citizens

- **Role of the government**
  - Should the exchange/connector have a “public program”
  - How should the private plans be regulated?
  - How many of the uninsured will be covered?
- **How to pay for reform**
  - How much can we afford; budget/deficit neutral
  - New taxes
  - Medicare/Medicaid Savings

- Quality
- Prevention
- Aligning Incentives
- Workforce



- Readmissions
  - Reducing Preventable Readmissions
  - Continuum Of Providers
- Comparative Effectiveness
  - What Really Works
  - Who Drives Care Decision
- Pay-for-Performance
  - Successfully Drives Quality If Implemented Correctly
- Electronic Medical Records
  - Drives quality; eliminates duplication
  - Eventually reduces costs

- Medical Home/Accountable Care Organizations
- Moving From Episodic Care To Disease Management And Care Coordination
- Patient Involvement And Responsibility
  - Education
  - Tools
- Advance Care Planning
  - Do Death Panels Exist?



- Current System Fragmented
- Must Be Across Continuum Of Providers
  - Physicians
  - Hospital
  - Skilled Nursing
  - Home Health
  - Hospice
- Payment Bundling
- Quality Focused



- With 25 Million Newly Covered, Who Delivers The Care?
- Primary Care Physician Shortages
- Specialty Physician Shortages
- Physician Extenders: Nurse Practitioners and Physician Assistants
- Nurses and Ancillary Providers
- Regulation Changes



- Regardless Of Health Reform, Delivery Of Care Must Change
- Change Will Take Time
- Shared Responsibility Is Critical
  - Individuals
  - Care Providers
  - Businesses
  - Government