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Mark Masselli: This is Conversations on Health Care. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well Margaret, all eyes are on Tampa this week as the party faithful of the GOP have gathered for their nominating convention.

Margaret Flinter: That's right Mark. The Hurricane Isaac has caused a day's delay. The convention is still underway, at this point really a formality. Mitt Romney is expected to be officially named the Republican Candidate for President.

Mark Masselli: And Paul Ryan is the number two man on the ticket. I expect the campaign will get pretty intense from now until Election Day. And of course, the Democrats hold their primary next week.

Margaret Flinter: And it will certainly be interesting to see how the messaging rules out during the campaign on things like health care and Medicare, which are already hot topics, certainly the GOP strongly rallying around the repeal Obamacare cry, and that's a theme at the Republican Convention.

Mark Masselli: It does make one wonder what would happen to reform measures under a different leadership, Margaret. It's very important election for all Americans who are passionate about health reform and access to health care for all.

Margaret Flinter: And one organization that has been doing the hard work when it comes to reform is the Center for American Progress.

Mark Masselli: They are an independent non-partisan educational institute aimed at improving the lives of Americans through progressive ideas in national security, economic growth, and in health care.

Margaret Flinter: Topher Spiro is the Managing Director of Health Policy and he is somebody who is very active in the development of the Affordable Care Act since his days on the Hill and has some very keen insights on some of the many powerful provisions in the law that are poised to improve access to health care in this country and in particular cost and savings seem to be his specialty area.

Mark Masselli: We are looking forward to hearing Topher's interview. FactCheck.org's Lori Robertson takes a look at the latest campaign claims about health reform, always good to get her perspective.

Margaret Flinter: And no matter what the topic, you can hear all of our shows by Googling CHC Radio.

Mark Masselli: And as always, if you have a comment, you can contact us at www.chcradio.com or find us on Facebook or Twitter; we would love to hear from you.

Margaret Flinter: We will get to Topher Spiro in just a moment.

Mark Masselli: But first, here is our producer, Marianne O'Hare, with this week's Headline News.

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Marianne O'Hare: I am Marianne O'Hare with this Headline News. The campaign rhetoric is flying just as fast and furious as those hurricane winds. Republican National Convention is underway. 70,000 GOP delegates gather in Tampa this week to officially crown Mitt Romney as the 2012 Republican candidate for President, Paul Ryan selected as the number two man on the ticket. Much of the talk in Tampa is about repealing the President's health care law and rescuing Medicare for seniors. Much attention has been given to the Ryan budget plan passed in the House of Representatives that would turn Medicare into a voucher system that would require seniors receiving Medicare to purchase insurance with those vouchers. Both sides in the campaign are claiming the other side is going to gut Medicare for seniors. The Democrats hold their nominating convention next week. Meanwhile, during the President's weekly address, he did announce that under his health care law, 5.4 million seniors on Medicare have saved more than \$4 billion on prescription drugs and 18 million seniors have taken advantage of the free cancer screenings now being offered under the plan.

The health care laws call for more meaningful and rapid transition to electronic health records, and while the pace of change has picked up, still only about half of the nation's medical practices have made the switch. A new Harris poll out might shed some light on the general reluctance out there. 63% of those polled, feared hackers might easily gain access to their health information or that it could be lost, damaged or corrupted. That sentiment has remained relatively unchanged over the past two years. While many fear electronic health records are vulnerable, close to 70% of those polled, felt modernizing electronic health records would make health care more efficient and save money. The nation's pharmacies however have made great strides in electronic prescription filing. Walgreens announced it was rolling out an electronic health record system built by Greenway Medical Systems. The EHR Program currently running in 200 facilities will be rolled out to all of Walgreens' 8000 locations.

The same goes if you snooze, you lose but in this case, not snoozing enough can really cost you. A study out shows seniors with poor sleep patterns and habits were more likely to develop dementia. That study showed frequent sleep interruptions from things like apnea or indicators for developing dementia down the line. I am Marianne O'Hare with this Headline News.

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Mark Masselli: We are speaking today with Topher Spiro, Managing Director of Health Policy at the Center for American Progress, an independent non-partisan educational institute, dedicated to improving the lives of Americans through progressive ideas and actions. Mr. Spiro is focused specifically on promoting the implementation of the Affordable Care Act and promoting cost containment in health care. He served as Deputy Staff Director for Health Policy for the U.S. Senate Committee on Health, Education and Labor, under Senators Ted Kennedy and Tom Harkin, and was on the team that drafted the patient protection in Affordable Care Act. Topher, welcome to Conversations on Health Care.

Topher Spiro: Thank you. I am glad to be here.

Mark Masselli: You know, everyone is talking about the most obvious aspects of the Affordable Care Act, the big three, the inclusion of millions of uninsured Americans into health coverage, people with pre-existing conditions who can't be denied coverage, young adults up to age 26 being able to stay on their parents' policy. But what are we missing in the discussion about the Affordable Care Act? What are the other aspects of the health care law that you think will improve America's health care system that aren't really being discussed by the people or the politicians?

Topher Spiro: I think what we are missing what really hasn't given the Affordable Care Act enough credit is the cost containment reforms that it includes. It really was the most far reaching effort so far to contain health care costs. It included an array of reforms to the way health care has paid for and delivered, and these reforms reward the value and the quality of care, not just the quantity of care. And I think it's worth taking a moment to go through some of them briefly. For example, starting in October, payments to hospitals with high rates of preventable readmissions and hospital-acquired infections will be reduced. Also, instead of paying a fee for each service, hospitals and doctors will receive a fixed amount for a bundle of services. This is called Bundled Payments and this reduces incentives to increase the quantity of care. In addition, there is so-called value-based purchasing; that's when you link payments for hospitals and physicians to performance on quality measures. The act creates a Patient-Centered Outcomes Research Institute, which identifies what works best to improve the quality of care and health care outcomes. And finally, the last one I want to highlight is the act creates an innovation center which will develop and

expand innovative payment models to improve the quality of care and reduce cost. So all these are examples of the reforms to the payment and delivery system that will provide better care at lower cost and the Affordable Care Act made a substantial down payment.

Margaret Flinter: Well Topher, maybe you could talk a little bit about the role of this entity called the Independent Payment Advisory Board that was also created under the Affordable Care Act. How is that playing a role in containing cost; who did they replace; who is on it; and why does it actually help make sense of pricing differences and costs in the health care market?

Topher Spiro: That's a great question. This is one of the key reforms to lower health care costs over the long term, and it's really to break the stalemate that exists in our political process, where special interests lobby hard to prevent any reforms to increase efficiency of the health care system and to reform the payment and delivery system. So the board would reduce health care costs by implementing many of the reforms, the types of reforms that we just discussed. There are reforms that improve efficiency and cut waste. They are not reforms that will reduce benefits or ration care. In fact, the Affordable Care Act includes specific language to prohibit the board from rationing care, raising taxes or premiums or increasing cost sharing or reducing benefits. So it's a key reform. It's one that is under attack but hopefully it will stay in place.

Mark Masselli: Well let's talk a little more about the cost containment value of the Independent Payment Advisory Board. But prior to this board, there was the Medicare Payment Advisory Commission, which initiated a plan to seek lower bids in medical purchase and I believe this resulted in a cost decreasing almost by 20%, saving Medicare millions of dollars. Tell us about what we learned from the Medicare Payment Advisory Commission about cost containment and how these are lessons being applied to the Independent Payment Advisory Board.

Topher Spiro: Well this is a good example Competitive Bidding Program, and let me step back and explain a little bit what that is. Instead of the government setting prices for products like wheelchairs, what Medicare would do is ask manufacturers and suppliers to compete to offer the lowest price to Medicare. So these are market-based prices and often times they are lower than what would have been set by the government. And this reform was experimented with in the early 2000s. It was found to reduce prices by 20% and save Medicare about \$8.5 million without affecting quality or access. And based on the results of that experiment, the Independent Medicare Payment Advisory Commission, which advises Congress on Medicare, recommended expanding Competitive Bidding in 2003. It was a no-brainer.

Congress did ultimately phase in an expansion of this program. But only two weeks after the program was first implemented in 2008, Congress terminated the contracts that existed and delayed the program. It wasn't until 2011 that the first

round finally went into effect and the benefits to seniors and taxpayers were substantial. The average price savings was 35% and is projected to save taxpayers \$17 billion and beneficiaries \$11 billion over 10 years. So this is an example of a reform that got delayed by special interest and Congress. It was a no-brainer. Ultimately, it will be expanded under the Affordable Care Act but it took many years for that to happen. The Independent Payment Advisory Board, which we have been discussing, would have the authority to put this type of reform into place unless Congress can come up with a better reform that saves the same amount of money.

Margaret Flint: Topher, I think one of the things that's kind of driven the public crazy is one group says, this will save America billions and another group says, this is going to cost Americans billions of dollars, right. But an area of cost containment that there hasn't been so much talk about is how do you contain cost through providing expanded coverage. Of course, we are going to take a good chunk of our 50 million uninsured Americans and provide them coverage by 2014 through the exchange and through expanded Medicaid and other mechanisms. Maybe you could talk a little bit about how expanded coverage and expanded access to care serves as a cost containment measure in some ways as well.

Topher Spiro: Well of course there is the point that we are trying to transform our health care system from a sick care system to a health care system where we provide access to preventive care that can save cost down the line because emergency room care and institutional care at nursing homes for example is more expensive often times. But the other point I want to make is that by having more people in the system, you broaden the health insurance pool, which means that you are bringing in healthy young people as well as sick and old people. You don't just have a system that's for one segment of the population, and by doing that, you lower premiums for everyone. This is where the controversial individual mandate comes into play. The whole purpose of that is to address the problem where people who don't have insurance show up at the emergency room and then expect their care to be paid for and that care is not free. It's paid for by taxpayers; it's paid for by higher premiums for everyone else. So if instead we can encourage those people to get insurance upfront and not just show up at the emergency room, that should lower premiums for everyone.

Mark Masselli: We are speaking today with Topher Spiro, Managing Director of Health Policy at the Center for American Progress, an independent non-partisan educational institute, dedicated to improving the lives of Americans through progressive ideas and action. Mr. Spiro is focused specifically on promoting cost containment in health care through the implementation of the Affordable Care Act. Topher, one area where there still seems to be quite a bit of uncertainty is health insurance exchanges and these exchanges need to offer policies providing essential health benefits. And I am not sure if those are sort of minimum level of benefits or not but I think this is really generally good news for

consumers trying to buy insurance on the open market. Tell us about these essential health benefits and why they are so important to the work of the insurance exchanges.

Topher Spiro: Well the Affordable Care Act has a requirement that new health insurance plans in the small -- in the markets that offer insurance to small businesses and to individuals directly so, not through your employer, that they cover essential health benefits, which is an extremely important consumer protection and it's one that makes the exchanges and other health insurance market reforms work much more effectively. There are several purposes of essential health benefits. The first main one is to ensure that coverage provides access of course to essential health care. The law requires coverage of benefits within 10 broad categories including maternity and newborn care, mental health benefits, prescription drugs; many of these benefits are not typically covered by plans offered directly to individuals today. So, these benefits will go a long way to ensure comprehensive coverage.

The second purpose I think of this requirement is to say that insurers cannot design benefits to attract healthier individuals and deter sicker individuals. They can't in other words design plans that cherry-pick only the people that they want to cover. And then the third major purpose of this requirement is to provide some standards to make it easier for consumers and small businesses to make apples-to-apples comparisons.

Margaret Flinter: So Topher, the health insurance exchanges were intended to be setup on a state-by-state basis but of course we have heard a lot on the news about those states that at least in this pre-election phase have said that they are going to opt out. But they won't go without an exchange; they will by default have an exchange setup by the federal government. What are your thoughts on the implications for residents of those states that are not setting up their own exchanges in terms of benefits and policies available to them? Will it be one exchange for the rest of the country where the states haven't put one in place or how is that going to play out?

Topher Spiro: Well, that's exactly right. So, residents of Texas for example, if Texas decides not to have an exchange, they don't need to fear that they won't be able to access the benefits of an exchange or the coverage that's made available through an exchange because the federal government will work with the State of Texas for example to setup what's called a federally-facilitated exchange. And what's important is that many of the insurance market reforms in the Affordable Care Act are minimum standards that apply across the country regardless of whether a state decides to setup an exchange on its own. A good example is the requirement to cover essential health benefits that we discussed. Another example of course is the ban of discrimination based on health status. So, insurance companies can no longer deny coverage for pre-existing

conditions for example. That protection will exist across the country in 2014 regardless of whether Texas or other states decide to setup their own exchange.

Mark Masselli: We haven't really touched on the quality of care which is one of the triple aims of the Affordable Care Act. And we recently had former Vermont Governor Howard Dean on the show saying he felt that the Accountable Care Organizations supported by the health care law really had the power to improve quality of care by offering comprehensive patient-centered care. What aspects of the Accountable Care Organization do you believe show the most promise in delivering cost containment and improving quality of care?

Topher Spiro: Well let's step back and talk about what an Accountable Care Organization is. It can mean many things but basically it means a team of health care providers including a hospital, physicians, nurses, that is accountable for all of patients care. And this encourages the team to coordinate care. And if they do a good job, they will be able to keep a part of the savings that result from reducing cost from coordinating care. A good example in the private sector actually was established by Blue Cross Blue Shield of Massachusetts in 2009. They set up an Accountable Care Organization that includes 1600 primary care physicians and 3200 specialists. It's been going on for two years now and there are promising results already. It has been shown over two years to reduce health care costs by an average of almost 3% which may not sound like a lot but if you take 3% across national spending on health care, that's billions of dollars every year.

Margaret Flinter: Topher, you have a number of such impressive advisors on your board, Former CMS Administrator Dr. Don Berwick, Harvard Economist David Cutler among them and they all say pretty similar things. The Health Reform Law, the Affordable Care Act isn't perfect but it's a solid foundation for moving forward. And as we have recently survived the Supreme Court hearing and anticipate it going forward in full implementation, what's part two? As you put on your futurist hat and you think how these are the things that would need to be in the next set of legislative changes, what would you see those things be?

Topher Spiro: Well, I think it comes back to cost containment. The Affordable Care Act, really you can think of that as the first generation of reforms to reduce health care costs. There needs to be a next generation. This is actually something that we have been thinking a lot about David Cutler and Don Berwick, Zeke Emanuel, Peter Orszag among others, and we are going to actually propose some bold reforms in the near future. I think this is the next step is to really focusing on cost containment.

Mark Masselli: Tell us about any of the states that you have been working with that excite you in terms of, and we always sort of think about states as sort of the engine of innovation and tell us what you are seeing out there in terms of states

that excite you in terms of addressing cost containment but also improving quality.

Topher Spiro: What really I think is important is innovations that focus on primary care which you don't hear about as much. Focusing on primary care can achieve better outcomes at lower cost. US has a very high ratio of specialists to primary care physicians and it ranks at the bottom in measures of primary care. So we need to look at health systems that have a higher percentage of primary care physicians, which results in more effective care, lower use of health care services, lower Medicare spending and higher quality. So I look for innovations called Primary Care Medical Homes in which teams of primary care physicians, nurses, all work together to reduce cost and improve the quality of care. And the innovations that are most exciting to me are the ones that allow patients to engage with physicians more meaningfully.

In this day and age, I can understand why patients can't communicate with their doctors through email for example. This kind of engagement and interaction is long overdue. We need to bring the practice of medicine into the 21st Century and there are examples across the country of both in the private sector and the public sector innovations that are implementing these types of reforms.

Margaret Flinter: We have been speaking today with Topher Spiro, Managing Director for Health Policy at the Center for American Progress, an independent non-partisan educational institute, dedicated to improving the lives of Americans through progressive ideas and action. Mr. Spiro, thank you so much for joining us on Conversations on Health Care.

Topher Spiro: Thank you. It's been a pleasure.

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Mark Masselli: At Conversations on Health Care, we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and Managing Editor of FactCheck.org, a nonpartisan, nonprofit consumer advocate for voters that aim to reduce the level of deception in U.S. politics. Lori, what have you got for us this week?

Lori Robertson: Well, Mark and Margaret, this week let's talk again about Medicare. We have seen the Romney campaign continue to push the idea that cutting the growth in Medicare spending hurts Medicare's financing. But the opposite is true. Cutting spending, as the Affordable Care Act does, would help the program. Most of the cuts in the health care law come from reductions in the future growth of payments to hospitals and that's Medicare part A which get its income mostly from payroll taxes. If Medicare doesn't need to spend tax dollars right away, the money is credited to Part A's trust fund and Medicare gets a

treasury bond that it can cash in later anytime it needs the money. So, by not spending as much as what's otherwise expected, Medicare holds on to more of those trust fund bonds for longer stretching out its Part A income.

Now the Romney camp also complains that the health care law counts those medical savings as money that can cover other aspects of the law. And it's true that Government Accounting Conventions show that happening. But that can't hurt Medicare's financing. Treasury has to pay the bonds it issues to Medicare even if it had already spent the original tax money on something else. And that's my fact checked for this week. I am Lori Robertson, Managing Editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's major political players and is a project of the Annenberg Public Policy Center at the University of Pennsylvania. If you have a fact, that you would like checked, email us at www.chcradio.com. We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

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Margaret Flinter: Each week, Conversations highlights a bright idea about how to make wellness a part of our communities and everyday lives. One in five American vets returning from the frontlines of Iraq and Afghanistan, have come home with a so-called invisible wound. An estimated 20% of returned vets are suffering from the effects of Post Traumatic Stress Disorder and severe depression. The Veterans Administration has been seeking numerous avenues to improve the outcomes for these soldiers, many of whom are afraid to seek help due to stigma. Often, they don't seek help until the condition has caused other major difficulties in their lives, addiction, failed relationships, inability to focus on jobs or schooling, even attempted or completed suicide.

A pilot program launched at the VA Medical Center in San Francisco is showing some promising results in getting veterans screened and into needed treatment. A brief therapeutic intervention called Motivational Interviewing done over the phone is significantly more effective than a simple phone check-in, the more common practice. The study published in a recent issue of General Hospital Psychiatry shows that when Motivational Interviewing techniques are applied, veterans are far more likely to see the need for treatment. Clinicians gently interview vets over the phone, encouraging the participant to discern discrepancy between their core values and their actual behaviors. If they articulate the need to change certain behaviors, they are more or likely to acknowledge a need to engage in treatment.

In the study, the control group received just the call-ins where the other group received four weekly Motivational Interviews over the phones. At the end of the study, 62% of those participants were still in treatment versus 26% of the control

group. And most reported reduced substance abuse and less of a sense of stigma about their condition. Using simple targeted telephone therapy sessions to facilitate treatment and recovery for tens of thousands of vets who are suffering, now that's a bright idea.

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Margaret Flinter: This is Conversations on Health Care. I am Margaret Flinter.

Mark Masselli: And I am Mark Masselli, peace and health.

Conversations on Health Care, broadcast from the Campus of WESU at Wesleyan University, streaming live at www.wesufm.org, and brought to you by the Community Health Center.