



WVAHC *Reform News*

West Virginians for Affordable Health Care

Volume 2

SPRING 2007

Issue 1

SPECIAL EDITION

WVAHC has enclosed a copy of its recently published A Blueprint for Health Care Reform in West Virginia: A Shared Responsibility in this edition of our newsletter. The Blueprint was developed by the Board and staff of WVAHC, with extensive input from experts and stakeholders in health care. It is proactive and solution-oriented. It outlines specific, doable actions that would go a long way toward building a 21st Century health care system in our state.

The Blueprint was developed through a grant from the Claude Worthington Benedum Foundation (the Council of Churches is the fiscal agent for this grant), and was edited and printed through a grant from the Roman Catholic Diocese of Wheeling-Charleston.

The other important contributor to this effort is you: the WVAHC member. We value your membership. Please take the time to read our *Blueprint* and let us know what you think of our ideas.

The *Blueprint* represents our current best thinking on health care reform. But we are frequently revising, trying to improve our proposal.

While we hope that you will take the time to read the entire report, three items that stand out:

- Cost containment is very difficult, and absolutely essential. If we do not contain cost, those with insurance will continue to be vulnerable to losing their coverage, and it will be impossible to extend coverage to the uninsured.

WVAHC laid out a comprehensive cost containment strategy. It is aggressive, as it must be. We welcome your thoughts and suggestions.

- Ensuring that every West Virginian has access to quality, affordable health care is

both sound economic policy and a moral imperative.

WVAHC made presentations on health care reform throughout the state. At most meetings, someone asks, "If we ensure all West Virginians, won't that adversely impact my insurance?" The answer is clearly "No." Those with insurance pay for the treatment of the uninsured, we just do it in an ineffective manner.

- The time for action is now. We are the people that we have been waiting for. There are several actions you can take today.

Ask five of your friends and colleagues to become WVAHC members. A membership form is on the back page of our newsletter.

If you are not already registered for our free eUpdates, please do register for these eUpdates by visiting our web page at: www.wvahc.org.

To have a presentation made at your church or other organization contact us to arrange a day and time. You can reach us at either perrybryant@wvahc.org or 304-344-1673.

Contact your legislators (a complete list of all Senators and Delegates and their home addresses can be found on our web site) and urge them to support WVAHC's Blueprint for Reform. Thanks.

An Organized Voice of Consumers in Health Care Reform.

Legislative Wrap-Up

This legislative session, there was also some significant progress made on health care policies. The bills passed that support our goals for health care reform include:

- HB 2940, extending up to 25 the age parents can carry their dependent children on their health insurance policy. The current law, one of the most restrictive in the country, prohibited parents from covering their non-college attending dependents when they reached age 19, and for full-time college students age 23. West Virginia can become the 6th state in the nation to increase the age to at least 25.

Young adults are the fastest growing uninsured age group. Generally, they have limited resources and tend not to value health insurance. Additionally, they have unique health care needs. There is a high incident of pregnancy and they have the highest injury-related emergency room use of any age group. If they are uninsured, both the costs for delivery and treatment in the emergency room are shifted to those who have insurance.

Estimates are that HB 2940 will ensure 10,000 to 20,000 young adults. This provides more insurance to the uninsured than any measure taken by the Legislature in years. To put this into perspective, if HB 2940 does ultimately

Legislative Updates

To see how your legislators voted on key health Legislation, check out the WVAHC web site (www.wvahc.org).

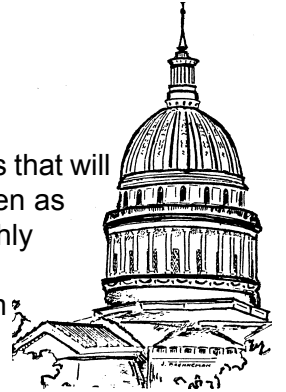
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cover 20,000 young adults that will be almost as many children as are covered under the highly successful Children's Health Insurance Program (CHIP).

- Senate Concurrent Resolution 82 establishes a select interim committee to study comprehensive health care reform. Generally, members of an interim committee are selected only from one standing committee of the Legislature (Finance Committee, for example). It is WVAHC's hope that the select committee established by SCR 82 will be comprised of the Chairs of the major committees that have a stake in health care reform (Health Committees, Finance Committees, Banking and Insurance Committees, etc.)

The main areas the select committee is to study include: a) measures to improve the health status of West Virginians. b) measures to reduce the cost of health care, and c) options for covering the uninsured.

An important indicator of how serious the Legislature is in developing comprehensive health care reform is whether they are willing to fund the hiring of nationally recognized experts to help the select committee work through all the difficult, complex and interrelated issues that are part of any health care reform. WVAHC members are encouraged to contact both Senator Earl Ray Tomblin, President of the Senate (304-357-7801), and Delegate Rick Thompson, Speaker of the House (304-340-3210), and urge them to put at least \$100,000 into the SCR 82 interim committee study. Thanks.

- Several other small, but important, bills also passed this session. These include: removing the legal barriers to electronic prescribing. E prescribing is the technology that allows a physician to e mail a prescription to the pharmacist of the patient's choice. E prescribing

Legislative Wrap-Up (continues)

eliminates hand written prescriptions, greatly increases patient safety, and reduces cost.

The mental health parity law was renewed indefinitely. Without the bill mental health parity would have sunset at the end of this month. The new law has no sunset provision. Mental health parity requires insurance companies to offer the same benefits for mental health that they provide for other illnesses.

- Current West Virginia law requires newborn babies screened for only 8 diseases. HB 2583, passed by the Legislature this year, requires that all 29 screens recommended by the March of Dimes and the American Academy of Pediatrics be phased in over the next two years.
- Breastfeeding in public places will no longer be considered indecent exposure under a law adopted this year.
- Finally, the combined living will and medical power of attorney form was adopted by the Legislature.

There were some major disappointments this session. The defeat of the pharmaceutical bill was the most important. Current law gives the Pharmaceutical Cost Management Council (Council) the authority to require drug companies to report their marketing and promotion costs. The Council also has the authority to negotiate with drug companies for discounts on drugs that exclude these costs. Regretfully, the Council has been dysfunctional to date.

After months of inaction, the Council finally submitted rules requiring drug companies to report their direct-to-consumer advertising (the ubiquitous ads you seen on TV) and detailing expenses. Detailing is the practice of drug reps buying lunches for doctor offices, or hiring physicians to give speeches at seminars, etc. The purpose of detailing is to persuade doctors to write prescriptions for brand name (and more expensive) drugs. According to the Kaiser Family Foundation, a nationally recognized health care research organization, drug companies spent \$4.2 billion on direct-to-consumer advertising and 70% more (\$7.2 billion) on detailing in 2005.

The Council's rules were submitted to the Legislature for approval. The Legislature delayed implementation for another year, and the Governor stepped in and asked that the rules be withdrawn. They were. The Governor's plan was to revise the Council's statute, and submit a bill that all parties could agree on. It didn't happen. When the Governor submitted his bill, it was very good on reporting. Drug companies had to report all expenses, including first dollar expenses. However, the Governor's bill delayed the negotiating process for discount prices on drugs by requiring 6 other states to join in the negotiations.

The House amended the Governor's bill to allow negotiations after 5 million people were in the negotiation pool. The Senate rejected this version, and the bill died.

WVAHC has written the Governor and his Pharmaceutical Advocate (Shana Phares) and urged them to develop emergency rules requiring the drug companies to report their direct-to-consumer advertising expenses and their detailing expenses by July 1, 2007. We have also requested the Governor and the Advocate to begin the negotiation process sooner rather than later. The current statute does not require 6 states or 5 million covered lives. The Council should combine the purchasing power of PEIA, Medicaid, the CHIP program with Mountain State Blue Cross Blue Shield, Carelink and other private insurance plans in West Virginia. This combined pool of over a million persons, coupled with the reporting data on advertising and promotional costs, should be adequate to provide West Virginians with significant discounts on brand name drugs. The time for leadership and action is now.

The three other disappointments of this session include: the loss of WVAHC's cost containment initiative, the defeat of a House passed bill that would have opened up the process for changes in Medicaid (the bill required DHHR to hold 3 public hearings around the state before adopting major changes in Medicaid), and the defeat of a bill that would have banned smoking in vehicles when children were present. There is a more detailed review of the session on our web site (www.wvahc.org) under Health Care Policies of the 2007 West Virginia Legislature.

Membership Form

West Virginians for Affordable Health Care

Yes, I want to be a part of helping to reform health care in West Virginia.

Enclosed is my contribution for \$50____ \$75____ \$100____

Name: _____

Street Address: _____

City: _____ State: _____ Zip _____

Email Address : _____

(Please print clearly)

I would like to volunteer for WVAHC. Please contact me.

Please return your membership form to:

WVAHC, 1544 Lee Street, Charleston, West Virginia 25311.

--Thank you!



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