

# Resources

## Maine Offers Lessons on Health Reform

The first US state that established universal health insurance as a policy objective is finding less success than originally hoped for. Maine passed the Dirigo Health Reform Act in 2003, hoping to establish universal health insurance coverage by 2009. However, growing pains with the voluntary program have included increasing numbers of uninsured, an imbalanced group of beneficiaries, lower-than-expected sales, and a complex benefit plan.

- The number of uninsured younger than 65 actually rose from 130,000 in 2004 to 141,000 in 2005 in the state.
- Sales of DirigoChoice are running 75% below projections.
- The complexity of the benefit design deters people from taking up benefits and raises the cost of switching from their current provider.
- Small businesses are reticent to begin offering the insurance.
- The plan has also been bombarded with an influx of unhealthy people who see the subsidized plans as affordable, given their health problems.
- Meanwhile, healthy people haven't joined the plan because they view it as too expensive.

The result of these unforeseen challenges is that insurance premiums have remained higher than anticipated by the plan's designers.

DirigoChoice is a privately run, publicly subsidized health insurance plan for small businesses, self-employed persons, and individuals without access to employer-sponsored insurance (ESI)—especially the currently uninsured. Funding comes in part from individual and employer contributions. However, most of the financing is slated to come from “savings offset payments”—that is, if Dirigo can reduce the number of uninsured, providers and insurers will reap savings because of lower levels of bad debt and less charity care.

Last year, at about this time, Maine Governor

John Baldacci set up a blue-ribbon commission to review Dirigo and offer recommendations for reform. In its January 2007 report, the commission suggested that Maine make insurance compulsory. That's just what Massachusetts did with its own universal insurance plan, instituted last year. In the Massachusetts plan individual and employer mandates are included. More than 100,000 previously uninsured people were enrolled in health insurance plans in the first few months of that state's program.

According to the independent strategic consulting firm Oxford Analytica, Maine's experience suggests that state universal insurance programs will face significant challenges, particularly adverse selection problems that create unattractive risk pools for insurers and raise costs. The Massachusetts model, which compels individuals to secure insurance, may be a superior blueprint for reform, says Oxford Analytica. For more information, see: [www.oxan.com/display.aspx?ItemID=DB134579](http://www.oxan.com/display.aspx?ItemID=DB134579).

## War of the Drug Retailers

A drug price war has started among retailers such as Wal-Mart and Target.

First Wal-Mart announced it was launching a test program to sell 291 generic drugs for \$4 a prescription in the Tampa area. The announcement triggered a flurry of price rollbacks among all pharmacy retailers. Target matched Wal-Mart's offer immediately and K-Mart publicized its 90-day generics for \$15. Other regional supermarket stores like Giant Eagle of Pennsylvania and Meijer of Michigan even started offering a handful of generic antibiotics for free. Wal-Mart's \$4 price is akin to seeing the Emperor's new clothes: the retail drug price arena is becoming transparent. Until recently, when a drug's patent expired, pharmacies would charge as much as they liked for the generic version. One study found that markups reached as high as 4000%. For instance, in 2004, health economist Devon Herrick, a senior fellow at the National Center for Policy Analysis, reported that a 30-day prescription of Prozac's generic drug fluoxetine was selling in Iowa for \$55, in some places in Florida for \$43, in Virginia for \$45, and at the

discount wholesale club Costco for \$7.09. The caveat? Buyer beware.

## Increasing Health Literacy to Improve Outcomes

The Partnership for Clear Health Communication (PCHC), a nonprofit organization seeking to improve low health literacy, is joining forces with the National Patient Safety Foundation (NPSF) to form the Partnership for Clear Health Communication within NPSF.

NPSF will integrate PCHC's *Ask Me 3* into its other program offerings. *Ask Me 3* promotes three simple questions that patients should ask their providers in every healthcare interaction:

1. What is my main problem?
2. What do I need to do?
3. Why is it important for me to do this?

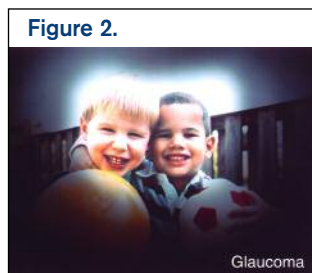
*The Health Literacy of America's Adults* report by the National Center for Education Statistics found that fewer than 1 in 6 people are proficient in health literacy—22% of adults have basic health literacy—that is the ability to obtain, process, and understand basic health information and services needed to make health-related decision. Fourteen percent are at or below basic literacy levels. Low health literacy is associated with poor health outcomes, including increased hospitalization rates, fewer preventive screenings, and higher rates of disease and mortality. See: [www.p4chc.org](http://www.p4chc.org) and [www.npsf.org](http://www.npsf.org).

## Don't Lose Sight of Glaucoma

Glaucoma is a group of diseases that can permanently damage the optic nerve. The most common form is primary open-angle glaucoma (PAOG). There are no symptoms or pain associated with the onset of glaucoma. As the disease progresses, side vision may begin to fail (Figures 1 and 2). Objects straight ahead may



National Eye Institute and the National Institutes of Health

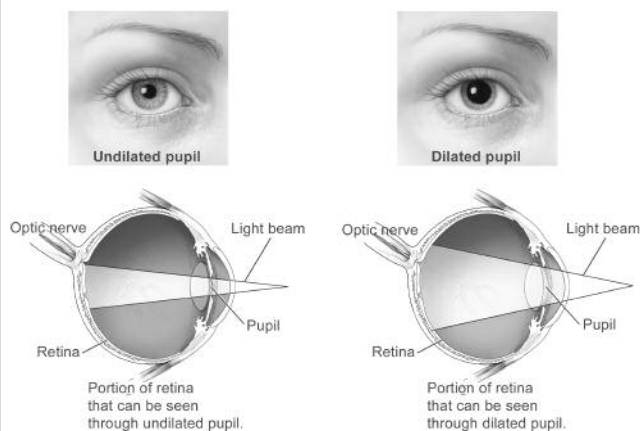


be clear, but objects to the side might be missed. If left untreated, the field of vision narrows considerably until objects in the front can no longer be seen and blindness results. An estimated 2.2 million Americans have been diagnosed with PAOG and an additional 2 million have glaucoma and don't know it.

A simple, dilated eye exam can detect glaucoma. Treatment options include medicines, laser surgery, conventional surgery, or a combination of these treatments. For most people, regular use of drops or pills controls the effects of glaucoma.

Anyone can get glaucoma, but those at higher risk include everyone older than age 60, especially Mexican Americans, people with a family history of glaucoma, and African Americans older than 40. In fact, according to the Eye Disease Prevalence Research Group, glaucoma is 3 times more likely to occur and about 4 times more likely to cause blindness in African Americans than in whites. A dilated pupil exam (Figure 3) conducted by an eye care professional every 1 to 2 years is recommended for those at higher risk.

Figure 3.



National Eye Institute and the National Institutes of Health

Talk to your patients about scheduling a dilated eye exam with a local eye care professional. Medicare covers the glaucoma examination.

The National Eye Institute and the National Institutes of Health ([www.nei.nih.gov/glaucoma](http://www.nei.nih.gov/glaucoma)) suggest additional resources that include:

*American Academy of Ophthalmology*, 800-391-3937, [www.aaopt.org](http://www.aaopt.org)

*Glaucoma EyeCare Program*, 800-391-3937, [www.eyecareamerica.org](http://www.eyecareamerica.org)

*The Glaucoma Foundation*, 202-285-0080, [www.glaucomafoundation.org](http://www.glaucomafoundation.org)

MPM