

Technology & Information

Is Universal Coverage the Linchpin to Cost Containment?

Co-author of *The Health Care Mess; How We Got Into It and What It Will Take To Get Out* and Harvard Medical School Professor of Medical Economics Emeritus Rashi Fein has six key questions for President Obama on health care reform. The questions, part of a series of questions for the new administration from a wide range of experts, are posted on the Web site of the [Nieman Foundation for Journalism](#) at Harvard University. The questions include such ponderings as: “Which do you think comes first: universal health care or cost containment?” Fein also comments on the question, stating, “The fact is that until we enroll everyone or are moving over a short period of time to a universal program we will not be able to mount an effective cost-containment program. Cost containment is not the lever or linchpin to universal coverage; universal coverage is the linchpin to cost containment.”

Answering Your Patient's Questions about Medicare

The Medicare Rights Center is a national, nonprofit consumer service organization that works to ensure access to affordable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives. The [Center's Web site](#) offers articles, news, and a timely and informative newsletter. A recent feature article, grouped under the heading of “Prescription Drug Coverage (Part D) Stories” was described as “A man from Virginia reached the ‘doughnut hole’ in April 2008 and had to stop his chemotherapy treatment because he could no longer afford it. To try and pay for hospital expenses not covered by Medicare, he and his wife had to sell their house

and his wife's business.” This and other stories like this one are presented in an easy-to-read format that offers real life stories, options, and solutions. The Medicare Rights Center, with offices in New York City and Washington, DC, has a consumer hotline: 1-800-333-4114.

Certification Commission for Healthcare Information Technology (CCHIT)

The Certification Commission for Healthcare Information Technology ([CCHIT](#)) is an independent, nonprofit organization with the mission of accelerating the adoption of electronic health records (EHRs). By certifying products on the market, CCHIT hopes to reduce the risk of investing in an EHR by making sure it will be “interoperable” and to protect the privacy of your patient records. CCHIT also works to encourage various health care players to offer financial assistance to physicians for adopting EHRs. The Commission has been certifying EHR systems for doctors' offices since May 2006. The site contains resources, including the Physician's Guide to CCHIT Certification, which offers information on what physicians need to consider when choosing EHRs. An index tracks incentive programs that help physicians and clinics adopt certified EHR through financial assistance and incentives.

Coverage Up and Spending Down

According to analysis of the [Health and Retirement Study](#), funded primarily by the National Institute on Aging and conducted biannually since 1992 by the University of Michigan Institute for Social Research, more Americans (90%) aged 65 and older have prescription drug coverage today compared to 2004 when just 76% had coverage. And coverage is equally distributed among seniors of all incomes. In 2004, the analysis found, 24% of Americans aged 65 and older lacked prescription drug coverage. In 2006, just 7% lacked coverage.

“Despite widespread concerns that the plan is

complex and confusing, our findings show that 60% of seniors who had no drug coverage signed up for Part D,” said economist Helen Levy, who co-authored the paper with economist David Weir, director of the Health and Retirement Study. “Further, 70% of those who had three or more conditions requiring medication signed up for Part D,” noted Levy, “compared with 37% who had no such medical conditions. This suggests that the decision to sign up reflects a rational economic choice, based on the need for prescription medication.” Median out-of-pocket drug spending dropped from \$100 in 2004 to \$40 in 2006 for those newly covered by Part D.

Consolidated Claims Processing

Under the Medicare Contracting Reform (section 911 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003). CMS is consolidating its data center operations at more than 20 facilities into four state-of-the-art Enterprise Data Centers. Objectives are to modernize Medicare operations, expand electronic services, bolster security, increase efficiency, and lower costs. In 2006, CMS awarded a 10-year contract to three companies to operate the new data centers: Companion Data Services (CDS), EDS, and IBM. CDS recently announced the successful completion of a 20-month-long project to transition Medicare claims data from 11 data centers around the country into its Medicare Enterprise Data Center (EDC) in Columbia, SC. The EDC processes approximately 800 million Medicare claims annually, submitted to claims-processing contractors by physicians, hospitals, and other

health care providers in 30 states, the District of Columbia, and Puerto Rico, representing approximately 63% of the total Medicare claims volume.

Clinicians Override Most Electronic Medication Safety Alerts

Researchers at the Dana-Farber Cancer Institute and Beth Israel Deaconess Medical Center (BIDMC) reviewed the electronic prescriptions and associated medication safety alerts generated by 2872 clinicians at community-based outpatient practices in Massachusetts, New Jersey, and Pennsylvania to learn how clinicians responded to the alerts. The clinicians submitted 3.5 million E-prescriptions between January 1 and September 30, 2006. Approximately 1 in 15 prescription orders (6.6%) produced an alert for a drug interaction or a drug allergy. Most of the 233,537 alerts (98.6%) were for a potential interaction with a drug a patient already takes. Clinicians overrode more than 90% of the drug interaction alerts and 77% of the drug allergy alerts. Even when a drug interaction alert was rated with high severity, clinicians typically dismissed those for medications commonly used in combination to treat specific diseases. They also were less likely to accept an alert if the patient had previously been treated with the medication. The findings suggest that most clinicians find the current medication alerts more of an annoyance than a valuable tool. The authors conclude that if E-prescribing is to effectively enhance patient safety, significant improvements are necessary. The study’s findings appear in the February 9 issue of the [*Archives of Internal Medicine*](#).
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