(Music)

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

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well Margaret, it's certainly been a week of upheaval around the globe with unrest springing up throughout the Middle East.

Margaret Flinter: Well, our hearts go out to the victims of the tragic events in Libya and the protests in other countries, which all show us and remind us just how precarious this situation is in our boost Arab spring world.

Mark Masselli: International politics have briefly redirected the focus on the presidential campaign but healthcare continues to be a primary topic in the ongoing analysis of the two candidates.

Margaret Flinter: And I thought it was interesting to note, Mark, that there was no discernible bump in ratings reportedly for Nick Romney after the GOP Convention. A week after the democratic convention, President Obama has made some gains and, I think, particularly as it pertained to healthcare.

Mark Maselli: Well, your right. Several recent polls show the President with a sizable lead over his challenger. When it comes to healthcare a recent CNN poll showing Mr. Obama with a nine point lead.

Margaret Flinter: And a Ritter's poll that actually gave the President a 14% lead when voters were asked who they felt was the best candidate for their healthcare. Though I also note, that Nick Romney there are some aspects that he might keep.

Mark Maselli: That was before he said he wouldn't keep them. No, can't say that. Mr. Obama has also pulled out a lead in swing states like Florida, Wisconsin, Ohio on the question of healthcare.

Margaret Flinter: And the analysis are saying, Mark, that people are maybe are starting to appreciate some of the benefits of the Affordable Care Act, appreciate them directly. So the message from the Romney and Ryan camp about rekindling the act maybe doesn't sound so appealing anymore.

Mark Maselli: I think your right and our guest today can shed some light on some of the key difference on each candidate's platform as it pertains to healthcare, as well as how the healthcare wall will proceed beyond the election.

Margaret Flinter: Sarah Kliff is Senior Health Correspondent for the Washington Post and for Want Plug **Name [01:48].** She's been closely covering the intersection of politics and healthcare for a number of years.

Mark Maselli: And speaking of intersections, we'll get another update from FactCheck.org's Lorie Robertson.

Margaret Flinter: And just a reminder, you can hear all of our shows by Googling CHC Radio.

Mark Maselli: And it's always if you have comments, e-mail at us CHCradio.com or find us on Facebook or Twitter. We'd love to hear from you.

Margaret Flinter: And we'll get to our interview with Washington Post Sara Cliff in just a moment.

Mark Maselli: But first, here's our producer, Marianne O'Hare, with this weeks Headline News.

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Marianne O'Hare: I'm Marianne O'Hare with this Headline News. The polls continue to assess the aftermath of the two recent political conventions and it appears as though healthcare, though a decisive issue, seems to be having a positive effect on the Obama campaign. Several polls showing President Obama with at least a ten point lead when voters are asked which President will be better when it comes to their healthcare. Another rather conflicting poll shows, though, that there is still some confusion over the health reform law itself. Kiser Foundation poll showed that while 36% of those polled were in favor of the Affordable Care Act, 43% said they were against it, even though a majority holds several measures of the law in a favorable light. Recent census information that came up had some good news. Fewer Americans are without health insurance in 2010, however the change was only slight. The biggest increase in those insured were young adults being allowed to stay on their parent's plan until age 26 under the Affordable Care Act. But what about the undocumented young adults living in the US. White House released a statement this week that those illegal aliens who were brought here and raised as children can file for citizenship but their not entitled to healthcare provisions under the Affordable Care Act until they're actually naturalized. And childhood obesity isn't natural but it's growing at an alarming rate in this country. A study just out in the Journal of American Medicine shows a link between high levels of BPA, that's Bisphenol A used in many packaging products and higher rates of obesity. Numerous studies have shown BPA disrupts multiple metabolic processes. The FDA recently banned the use of BPA's in baby bottles and sippy cups but not in things used by older children like food packing and aluminum cans. I'm Marianne O'Hare with this Headline News.

[Music]

Mark Maselli: We're speaking today with Sarah Kliff, veteran health blogger and health policy report for the Washington Post. She's the Health Editor for Post's daily blog Wonk Blog. Ms. Kliff has covered the healthcare industry extensively and she was co-author of the Political PULTS, Politico's Daily Health Policy Briefing. She covered the 2008 presidential campaign for News Week. She's been awarded several reporting fellowships from the Kiser Family Foundation and the USC Annenberg School of Journalism. Her work has appeared in National Geographic and BBC, as well as numerous other publications and broadcast outlet. Ms. Kliff, welcome to Conversations on Healthcare.

Sarah Kliff: Great, thank you for having me.

Mark Maselli: Sarah, the presidential election season is in full swing now and healthcare and Medicare, two issues that keep on giving in this politically charged environment. And while the Affordable Care Act is now the law of the land, republicans said they will immediately repeal the law if elected to the White House. What's most likely to happen as a result of different election scenarios?

Sarah Kliff: Right, you know I think it matters a lot kind of who's in each branch of the government. If, you know President Obama wins the election, you know it's the easiest to game out. If you have a President Romney and a democratic Senate it, you know, once again, becomes pretty difficult to change anything. You know you would need to get, you know the majority of senators on board to, you know pull off and repeal. It is one situation where, you know Nick Romney could get some legs with repeal would be is if the republicans won the Senate. So you have republican control of the Presidency, the Senate, and the House, which was the situation when democrats passed their health reform law. You know in that situation, you know there are parts of the law they can repeal but actually getting rid of the entire thing is still really hard. So even if you got control of every branch of government, there's still some hurdles. So, you know we've heard Governor Romney talk a little bit about repealing the healthcare law on day one. Most folks here in Washington will tell you just because of the logistics of this city, that's impossible. But they definitely if, you know republicans control the congress and the Presidency, they could dismantle some big chunks of the law.

Margaret Flinter: So Sarah, we're looking at the Affordable Care Act and thinking, huh, 2014 fully up and running but really multiple pieces of it already implemented or well on their way. Maybe looking a little more broadly than that, what do you think the lay of the land in the United States would have to be politically for repeal of the Affordable Care Act?

Sarah Kliff: Yeah, you know that's a good question. The doable number of states that, you know really like the Affordable Care Act and, you know the ones that come to mind for me are California and Maryland. They've been really aggressive in putting a lot of Federal money and some of their own money towards, you know implementing the law. Setting up these new healthcare market places called Exchanges and, you know you could see some of them, even if Congress starts going back to the law on a Federal level, saying, you know maybe we'll go the way of Massachusetts. Maybe we'll, you know just do this on our own. The financing becomes a little difficult. They're initially relying on the Federal Government for all the money to pay for the insurance expansions. So they would have to do that on their own. So, you know even repeal here in Washington, you know might not mean repeal everywhere across the country just because, you know, as you mentioned, there's always been so much work done towards the Affordable Care Act. So you could see, you know each state becoming it's own little healthcare laboratory and kind of trying out some new approaches.

Mark Maselli: Walk us through the, you know there are a lot of charges going back and forth and Medicare is clearly a front and center in the debate. And the republican camp continues to accuse the President of cutting $700 billion from Medicare and, yet if you were to read the Ryan budget plan it wouldn't be that dissimilar, at least in the dollar amounts, to the President's but can you sort of shed light on – maybe do a little fact check for us on this.

Sarah Kliff: Yes, for sure. You know I think the place to start is with what the healthcare law actually did. And, you know Paul Ryan and Nick Romney are right. The healthcare law did reduce Medicare spending by $716 billion and that's a number I'm sure we're going to keep hearing. How it did this is is it basically reduced how much hospitals and private plans, these plans called Medicare Advantage, that paid. So it gave essentially a pay cut to the hospitals and gave a pay cut to these Medicare Advantage providers. And, you know the hospitals, you know they obviously don't like taking a pay cut but, you know they've decided it would be okay. And the reason they did that is because of the health law's insurance expansion. They're [**inaudible 08:25]** of 32 million new customers with health insurance. So on the balance, you know while they're getting paid a little less per customer, there's going to be huge influx of customers. So that's why hospitals decided, you know what this is an okay deal. We're going to sign up for this and support the healthcare law. On the Medicare Advantage side, those private plans that take care of about one-quarter of the Medicare patients right now, those, you know as you point out, Representative Ryan and his position as the Chairman of the Budget Committee did include those cuts in his 2013 budget. There, you know he doesn't dispute that. However, you know the Romney, Ryan campaign now says, you know if they were to come into office, they would repeal those cuts. They're saying they're not going to do what the Ryan budget says here.

Margaret Flinter: Let's, maybe then, look over to the other side of the entitlement world and look at Medicaid for a minute, which, of course, is scheduled to be expanded to include coverage for more Americans of low income or of those living near the poverty line under the Affordable Care Act. And if there's one thing this whole debate over the last year has done, I think more Americans know the difference between Medicaid and Medicare than ever before. But that's one where it seems to be there are really clear differences between what the Obama plan is for Medicaid and what the Romney plan, or from the Ryan budget plan would introduce. Maybe you could sort of clarify those differences between the two parties for Medicaid and also maybe talk about CHIP, which is really quite popular in the states insurance coverage for America's children.

Sarah Kliff: Yeah, you know one interesting thing that I think gets a little bit lost in this debate is that Obama and Representative Ryan's budget, they've actually proposed spending the exact same amount on Medicare. They both want to see it grow at the exact same rate, they just have different ways of cutting it to get there. Right now each state gets a set amount of money for each Medicaid enrollee. What the Ryan budget proposes and, you know it's a lot of republicans here in Washington support, it giving states a lump sum. And what they like about that approach is it makes Medicaid spending much more predictable. We know how much we're going to spend. We're able to control it better. And it gives states and incentive to really think up better ways to deliver care. All of a sudden, you know there's an incentive for them to save money that there really wasn't before. The concern from Medicaid advocates is that, you know states will save money by scimping on benefits. So that's, you know that's a very stark difference between what the Obama administration would do and what a Romney administration would do on Medicaid. The Obama administration, you know has caught against block granting. It's specifically opposed it. It, you know sees Medicaid continuing in its form right now and, as you mentioned, actually expanding, becoming a lot bigger in 2014 instead of kind of a hodgepodge that we have right now.

Mark Maselli: We're speaking today with Sarah Kliff, Health Policy Report for the Washington Post, health analyst for the Post Wonk Blog. She's the former author of Political PULTS, Politico's Daily Health Policy Report and also coverage of Biden for News Week in the 2008 election. Ms. Kliff is keeping a close eye on the current presidential election. Analyzing how the outcomes could impact health reform in this country. Sarah, I'm a little confused about the GOP heath platform because on one hand it's Romney who's running for President and it seems like he conveniently grabs the Ryan plan when he wants to. So what are you doing as a reporter in trying to tease this out because it – it's – it can't be that convenient for – he hasn't clearly articulated that it is completely one that he would put forward.

Sarah Kliff: You know it's a little bit difficult as a reporter, you know with the Affordable Care Act we have a 2000 page law to look at. So we know very, very

specifically what President Obama, you know wanted to do for our healthcare, what someone is doing with our healthcare system. We know exactly, you know how he would change Medicare because he did it and we have it in writing and that's what we're doing right now. And that's kind of how we understand, you know what exactly is happening. On – the problem inside is a little more difficult because, you know Romney and the republican party and their platform has embraced a structure like the Ryan budget. But there's a lot of really important specifics that, you know we don't know and I don't know that we'll find out by the end of this campaign. So, you know, I think on my part, we just keep asking as many questions as we can, trying to find out as much as we can but I think it's kind of an inherent in the fact we have a President who passed the law and the Governor with a proposal that, you know they're not exactly on equal playing fields in terms of the details we're getting.

Margaret Flinter: Sarah, no matter who wins in November, one of the prizes that they're going to find, if you will, it's a problem that goes to whoever wins and that's dealing with this Medicare reimbursement formula that Congress set over a decade ago. We've talked about it a few times on the show. It's a formula that reimburses the providers who treat Medicare patients for the care they give. And we've gotten used to kind of lurching from crisis to crisis for emergency votes. Nobody has really stepped forward with, I don't know if this is the political courage or the knowledge of the solution to over hall the system. So, from your perspective, where do we stand with that Medicare reimbursement formula that I am reminded that ten thousand baby boomers per day are aging into that Medicare system. So kind of urgent that this gets fixed.

Sarah Kliff: Yeah. Yeah, you know it's a big problem and, you know it happens every year and it's a problem that Washington created and now can't seem to fix. Back in the 1990's we set a specific formula to pay for Medicare. Unfortunately, that formula has worked out to less money than what it would cost to cover all our seniors since about 2001 or so. And, you know it comes down to the wire there somewhere, it just creates a lot of uncertainty. We're at the point now if Congress doesn't pass a doc fix that doctors across the country would see their reimbursement rates fall by about 27%. So we're talking about, you know a lot of money. And, you know I think it's actually the money that's the big obstacle fixing anything here in Washington. Right now if we wanted to, you know fix the doc fix, say, you know this isn't going to be another problem for the decade. It would cost $245 billion. Finding the money in Washington is not very easy right now. And that's why you see, you know year after year, sometimes even at a month or two of length, that we passed maybe a $10 billion fix or a $20 billion fix. It is easier to get through then, you know something that costs in the hundreds of billions of dollars range.

Mark Maselli: You know Sarah's speaking about doc fix, you've written about another type of doc fix that's needed and that's the projected shortfall of primary care physicians in the country, especially after 2014 when tens of millions of

Americans will be added into the primary care poll. But I think people who follow the healthcare new will be a little confused with the fact that also more medical schools are opening now than at anytime in the last hundred years. So how do we get into this pickle and what are the solutions to the shortage of primary care physicians?

Sarah Kliff: Right. So I guess some people won't be surprised to hear this is another problem that Congress does play a hand in. Back in 1997 they passed a law that limited the number of residencies that Medicare would fund. Medicare has traditionally funded most of our graduate medical education. And, you know with some sense these are the doctors who are going to be seeing our seniors and it's really expensive to train doctors. It costs about $145,000 to just – for the residency. Anyway, back in 1997 we passed a law that said Medicare would only fund a set amount of residencies and we have not increased that cap since. Our population is getting older, ten thousand people hitch on to Medicare each day. You know at the same time you do see a growing interest among students in going into medicine. More medical schools are opening up, as you mentioned but we're running into a bottle neck with our residency program where medical school's actually wanting to expand even more but not doing it because, you know they didn't want their doctors to be out of work when they graduated because there weren't enough residencies. And, you know there's a lot of different ideas about how to fix this. One, you know that is the most simplistic, but is also the least realistic, is getting Congress to increase the residency cap. And there is legislation to do that. There's some other thinking about, you know integrating nurse-practitioner and the physician assistants and other folks in the medical space better into the system, have them provide a lot of our primary care to kind of lesson the burden on doctors a little bit.

Margaret Flinter: Sarah, in all of our conversations so far we've come back to money and cost containment, a different way of looking at money is obviously, but what are your thoughts on the cost containment measures in President Obama's healthcare law? Certainly one of the things that the architects of the bill laid out was accountable care organizations, which seem to be growing, not just for Medicare, but for other populations as well. What about that as a cross containment measure versus any cost containment measures in the Ryan budget other than, you know eligibility for the programs and how much we pay people?

Sarah Kliff: Yes, the cost containment looks really different in both, in Obama in the healthcare law and the Ryan budget. The Ryan budget, you know would ultimately end up using, you know premium support to kind of bring down the cost of Medicare. In the Affordable Care Act, you know as you mentioned, you do see accountable care organizations, which are meant to kind of change the incentives in healthcare and give doctors an incentive to, you know provide the best quality care rather than the highest quantity of care. Yeah, I think right now the verdict is still out. You know the accountable care organizations are really new. They might be like about a year or so in right now and it's going to be

a little while until we understand, you know if these are really producing results that are, you know shifting costs down and if that's a permanent change. You know I think a lot of people think back to the 1990's and the rise of the HMO's and the three or four years we saw there of kind of lower cost growth. I think it's still going to be a few years though before we know if, you know all those anecdotes really mean something is changing in how we deliver healthcare.

Mark Maselli: Sarah, it seems like candidates in the GOP side in this election are capitalizing on the sense of uncertainty about how the Affordable Care Act is going to impact the business community and you've recently wrote an article about a survey of over 500 companies and what their plans were once the healthcare law is fully in place. And a lot of conservative pendants are predicting companies are going to dump their employees. I should note that last week we had Howard Dean on the show and actually Howard Dean said the same thing. He says it does not endear me to be in administration.

Sarah Kliff: No.

Mark Maselli: Is this prediction born at the survey you looked at?

Sarah Kliff: You know and I think, you know what was unique about this survey was just very large businesses. We're talking about anyone with over 1000 employees. And those are the ones you'd expect to continue offering insurance, I think, because, you know they've been doing it for a decades, you know.

Mark Maselli: He was clearly talking about the smaller ones.

Sarah Kliff: Right. So I think the ones that are more at the center of the debate are these ones, let's say with under like 50 employees. They're not subject to the employer mandate. They're too big to get any tax credits from the healthcare law.

Margaret Flinter: Sarah, we'd like to ask all of our guests just this one final question. When you look around the country, what do you see in terms of innovation that our listeners at conversations should be keeping an eye on?

Sarah Kliff: I think it goes back to a lot of the cost control work that's happening. You know I've spent a lot of time talking to some really interesting hospitals and, you know electronic medical record companies and providers that are really doing different things that didn't happen before and that are kind of enable by some recent changes in our healthcare systems. The rise of technology and, you know the greater use of electronic records kind of give doctors resources they didn't have when they were trying to do capitated and cost containment care back in the 1990's. So I think you see a new sweep of healthcare tools of, you know the ability to monitor outcomes and monitor costs

and see what are the most cost effective treatments. You know really being employed in a way it hasn't before. And I think that will be really interesting to see if that, you know does keep our healthcare costs down or, you know if we're kind of in for a 1990's reflux and we're going to be seeing, you know higher costs for us in the future.

Mark Maselli: We've been speaking today with Sarah Kliff, veteran Health Blogger and Health Policy Reporter for the Washington Post. She is the Health Editor for the Post Daily blog, Wonk Blog. Ms. Kliff is closely monitoring healthcare issues in the selection. You can find her on Facebook, Twitter, and Wonk Blog.com. Sarah, thank you so much for joining Conversations on Healthcare.

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Mark Maselli: At Conversations on Healthcare, we want our audience to be truly in the know when it comes to the facts about healthcare reform and policy. Lori Robertson is an award winning journalist and Managing Editor of FactCheck.org. a non-partison, non-profit consumer advocate for voters that aim to reduce the level of deception in US politics. Lori, what have you got for us this week.

Lori Robertson: Mark and Margaret, a recent add from Nick Romney claims that the Federal healthcare law taxes wheelchairs but that's not true. The claim pertains to an excise tax on certain medical devices and that is part of the law. The ad says that this 2.3% tax would apply to wheelchairs and pacemakers and it shows a picture of a manual chair. But both, manual and motorized wheelchairs, will be exempt from this tax according to treasury department officials. There is a retail exemption for any device that's generally purchased by the public at retail and motorized wheelchairs would be exempt under a similar provision for customized items. The IRS is now finalizing the proposed rules on this. The ad is correct, however, in saying that pacemakers would be subject to the tax. Other devices that would be taxed are cardiac defibrillators spent and ultrasound equipment. And revenue from this tax is expected to be $20 billion over ten years. And that's my Fact Check for this week. I'm Lori Robertson, Managing Editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factually accuracy from the countries 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'd like checked, e-mail us at CHC Radio.com. We'll have FactCheck.org Lori Robertson check it out for you here on Conversations of Healthcare.

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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. Around the world, two million children die of pneumonia every year and most of these deaths are preventable. The problem is that most of these children live in developing nations where access to medical care is a real challenge. A team of students and researchers at the University of Melbourne decided there had to be a simple solution for early detection pneumonia that could be put right into the hands of children's parents or community health workers, not only in remote settings, but ultimately anywhere in the world. Their solution, the Stetho Cloud, a peripheral end app for Smart Phones that puts a stethoscope like diagnostic tool in the hands of ordinary people. The student team was moved to develop the product inspired by a professor who explained that most children who died o f pneumonia could have been saved had there been a timely diagnosis when treatment could be started.

Team Member: I think the key step is that people are not worried enough at the start. So let's say you're in a developing country, you're not worried enough, and the clinic maybe be 30 kilometers away, a whole day's trek or something. And you usually don't take the journey until your child's very sick and by that stage it's almost too late.

Margaret Flinter: Dr. Andrew Lynn, he and his team of developers created this diagnostic app to process information gathered from a stetho mic, a digital stethoscope that plugs directly into an iPhone. The device is used to detect breathing patterns just as a clinician with a stethoscope would do. The Stetho Cloud app then runs lung capacity reading through a series of algryghms, sends the information into the Cloud for analysis, and almost instantaneously a diagnosis can be made. The students won the Australian's final of Microsoft's Imagine Cup 2012. They're testing and refining the device with the help of the University Children's Hospital and hope for a rollout of the product later this year., using ingenuity, technology, collective imagination to create the Stetho Cloud; a simple device that has the potential to save millions of children's lives. Now that's a bright idea.

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This is Conversations on Healthcare. I am Margaret Flinter.

Mark Mesalli: And I am Mark Mesalli, 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.