Mark Masselli: This is Conversations on Healthcare. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Margaret, it seems like the democrats have gotten a second wind on Healthcare Reform after losing the senate seat in Massachusetts last month. President Obama pledged to fight on his State of the Union address last week. He even met with House Republicans in attempt to break through the partition choke that has stalled his legislative agenda.

Margaret Flinter: And that's going to be really important, having the President's active engagement now and going forward is crucial to this endgame passing Health Reform and there is still the issue of trust between the House and the Senate. House democrats have been hesitant to proceed without an explicit guarantee from the Senate that is going to make the additional changes to the legislative language. In fact, last week our guest House Majority Whip James Clyburn said that passing the bill through the budget reconciliation procedure with just 51 votes really was the best option. Congressman Clyburn later pointed to the tensions between the House and Senate when he spoke out saying the Senate thinks of itself as a House of Lords that happens to be out of touch with the voters.

Mark Masselli: He did say that but since then there has been progress on mending the differences. Senator Arlen Specter made the case for constructive way forward when he spoke to Pennsylvania Progressive form over the weekend. He said I believe we ought to pass comprehensive Healthcare Reform and we ought to do it now and there is a way to do it. Specter said, I provided the 60th vote, we passed it in the Senate, let the House accept it, simultaneously with the bill to make certain changes through reconciliation and 50 votes in the Senate.

Margaret Flinter: Yeah those certain changes really created quite a bit of controversy and Senator Specter went on to say that there will be no disagreement about taking away the giveaway to Nebraska and Louisiana and other inappropriate measures, but let's move ahead and let's move ahead now.

Mark Masselli: And move ahead, we are in the coming week's House Speaker Nancy Pelosi and Senate Majority Leader Harry Reid said they hope to rally house democrats behind the Healthcare Bill passed by the

Senate. At the same time, they will try to persuade senate democrats to approve a series of change to the legislation using the budget reconciliation procedures.

Margaret Flinter: And there have also been some efforts by democrats and republicans to come to some actual agreements even if it is just at the initial discussion phase. Sunday morning on the talk-shows the democrats portrayed the healthcare effort as a valiant crusade that had suffered a setback but was going to return to life. And the republicans insisted that they want change too. House Majority Leader John Boehner said "Nobody in Washington thinks our healthcare system is perfect and certainly not Republicans." The New York Times on Sunday went so far as to say on a number of points Republicans and Democrats are actually closer to agreement than many people realized. The article pointed to areas of common agreement like ending annual and lifetime caps on benefits and raising the cut-off age for dependent coverage.

Mark Masselli: Picking up on this theme that Republicans and Democrats might not be that far apart on some critical issues. We wanted to give our listeners some perspective and to hear from someone who has been a leading thinker for many key republicans. Our guest today is Gail Wilensky. Dr. Wilensky is a well-known healthcare economist who among many other things has worked as a White House Policy Adviser in the first Bush Administration and Health Adviser to John McCain's bid for President.

Margaret Flinter: And no matter what the story, you can hear all of our shows on our website www.chcradio.com. You can now subscribe to iTunes to get our show regularly downloaded or if you want to hang on to our every word and read a transcript of one of our shows, come visit us at www.chcradio.com.

Mark Masselli: And as always, if you have feedback, e-mail us at conversations@chc1.com we would love to hear from you. Before we speak with Dr. Wilensky, let's check in with our producer Loren Bonner with headline news.

Loren Bonner: I am Loren Bonner with this week's headline news. Democrats are still forging ahead with Healthcare Reform after recovering from the initial anxiety of losing the Massachusetts Senate seat. Although President Obama addressed jobs and the economy primarily in his State of the Union address last week, he urged Congress not to give up on passing a Healthcare Reform Bill.

President Obama: Here's what I Congress though, don't walk away from reform, not now, not when we are so close. Let us find a way to come together and finish the job for the American people.

Loren Bonner: In a gesture of bipartisanship, President Obama spoke to House Republicans in a Town Hall Meeting in Baltimore last Friday. He defended his Healthcare Reform efforts and pointed out that republicans had painted him as a radical and has healthcare plan as Bolshevik plot on America. Perhaps the biggest boost came on Monday when President Obama outlined his 2011 budget while many other programs are scheduled for cuts or having their funding frozen, healthcare did well by comparison. Most of the $900 billion budget consists of two mandatory programs, Medicare for the elderly and disabled and Medicaid for the poor. The budget requests for 2011 would give states an additional $25 billion in Medicaid funding to help cover rising program costs. The National Institutes of Health would receive a billion dollar increase next year and community health centers popular with both Republicans and Democrats would get a $290 million hike up. New funding in the 2011 Budget will also go to combat preventable and tropical diseases, malnutrition and other conditions affecting the world's poor as part of a strategy to broaden global healthcare. The new policy will retain HIV AIDS as the administration's top funding priority, but will use new funding to reduce deaths from complications related to pregnancy or child birth, poor nutrition and common treatable illnesses that kill millions every year. This coincides with the news last Friday that The Bill & Melinda Gates Foundation will donate money to research new vaccines and bring them to the world's poorest countries. At the Davos Forum in Switzerland last week, the Microsoft founder and his philanthropist wife said they will donate billions of dollars over the next decade.

Bill Gates: We are announcing that we will spend over $10 billion on vaccines that will help invent new vaccines that will help get some new vaccines out that will then help increase the coverage.

Loren Bonner: Gates said the commitment more than doubles the $4.5 billion the foundation has given to vaccine research over the years and will be used to better focus on areas like immunization and child mortality. The foundation estimates that 7.6 million children under the age of 5 could be safe through the year 2019 as a result of the donation.

Today we are happy to have Dr. Gail Wilensky as a guest on our show. Dr. Wilensky is a healthcare economist who served as a White House

Health Policy Advisor under President George H. W. Bush. From 1990 to 1992, she was the administrator of the Health Care Financing Administration, now the Center for Medicare and Medicaid Services. From 1997 to 2001 she chaired the Medicare Payment Advisory Commission which advises Congress on payment and other issues relating to Medicare. She later served as an advisor on health policy to Senator John McCain during his run for president. Dr. Wilensky still advises Republican members of Congress and she has given them a strong voice in their healthcare strategy especially now that they have the ability to change the game. She believes Healthcare Reform is necessary with spending reaching unsustainable levels at 17% of our GDP and growing to be exact. She says reform needs to be achieved by controlling costs while at the same time improving care. Dr. Wilensky argues that the current healthcare bills do not address slowing healthcare spending and improving the value and quality for what we spend. Perhaps the most worth noting is that she presents solutions, a step in the right direction for Republicans who could not continue to simply oppose President Obama's policies. Her solutions are straightforward. In order for better healthcare outcomes to be delivered, she believes that we need to move away from the current reimbursement system. Dr. Wilensky advocates for the expansion of the government's investment in comparative effectiveness research, research that informs doctors on what medical interventions and treatments work best for particular conditions and situations. She says this will not only help physicians but will also help us to spend smarter, for example, lowering copayments and increasing reimbursements for procedures that have good clinical outcomes.

Mark Masselli: This is Conversations on Healthcare. We are speaking with Dr. Gail Wilensky, health care economist and senior fellow at project HOPE. She was the administrator of Health Care Financing Administration, now the Center for Medicare and Medicaid Services from 1990 to 1992 and chair woman of the Medicare Payment Advisory Commission from 1997 to 2001. Dr. Wilensky, thank you for joining us today.

Gail Wilensky: My pleasure to be with you.

Mark Masselli: You have been at the core of the debates on Healthcare Reform, cost control and entitlement programs for years, you know firsthand the challenges of Medicare and Medicaid for patients, providers, and payers and you have seen the first Bush Administration, the Clinton and now Obama Administration put forth significant reform proposals to

date without success. Do you think there is a chance of success now and what form will it take?

Gail Wilensky: The challenges to reform our healthcare system have become extremely obvious since the Massachusetts election, although the challenges where there even before the election. We think we are making good progress in terms of one of the three challenges in Healthcare Reform extending coverage, although that has now had a setback with the change in the composition in the Senate. None of the bills took on the other two issues in reforming our healthcare system that is slowing spending so that we can get to a sustainable spending growth rate. And also improving the value for what we spend, improving clinical outcomes and patient safety. It's not that they didn't have any components in there, they did particularly a lot of promising pilots, but it was primarily focusing on expanding coverage and in this most shareable form, the reform of the delivery system in a very light touch.

Margaret Flinter: Dr. Wilensky, I think one thing we would all agree, we are not going to see in whatever happens is the public option even in scale-back version of the current proposals. I think I have read that you have commented that you don't support the public option in part because you think it would spell the death of the private insurance industry and yet there are people who ask the question, is there a place for a private health insurance industry, a for-profit insurance industry, can you make the argument that it should survive on the basis of cost to competition or quality or is it really like the banks, just too big in industry to let it fail?

Gail Wilensky: You have wrapped up the term private sector and for-profit as though they were synonymous, they are not. The fact is in our non-governmental programs, we have not-for-profit The Blues, _____12:07, Mayo Clinic, _____ Integrated Delivery System, so more of regular insurance systems like the various Blue's plans and of course, we also have for-profit. The reason I am against the public option is that I believe it's a traction just to be able to set reimbursement rates that are below what would be sustainable and a non-governmental sector, where you can just impose rates. And to impose Medicare reimbursement would in fact destabilize insurance offered elsewhere. We frequently talk about the federal employees health plan as an attractive model where the federal government pays a fixed share of insurance plans and people choose what they want and they range from low cost plans, $5000 to $6000 a year for a family plan to $15,000 or $14000 a year and more for some of the high benefits of Blue Cross Blue Shield high option plans. That to me indicates that we can have substantial choices, competition,

available in the private sector without stabilizing the private sector. For some people of course moving entirely to a public plan option is fine. I look at Medicare and while Medicare has done many things well in terms of expanding access to seniors, it had even less success than the private sector in terms of integrating delivery or coming up with innovative ways to reimburse and that makes me concerned. I think we will lose a lot of flexibility if we just move to a public plan.

Mark Masselli: Dr. Wilensky, let's talk about something that seems to confuse even policy wonks, never mind the average American comparative effectiveness research simply stated research that informs doctors what medical interventions and treatment work best for particular conditions, what works better in some situations and which ones have proven to be ineffective or even harmful, do you think the country is ready to embrace this as a part of health policy in decision making?

Gail Wilensky: I sure hope so. I am a big believer that among the changes that need to occur, not the only change for sure, if they have more information available about what works best or well for whom under what circumstances, in terms of the different ways of treating a medical condition, but there is not the kind of research people assume is out there guiding decisions by physicians and helping to inform patients. It's not just to help physicians although that's obviously a major reason to do this, it's to help consumers and patients understand the options, it's to learn how to spend smarter to be able to vary copayments and reimbursement so that the procedures that have a high likelihood having a good clinical outcome for that subgroup of the population has low copayment and gets reimbursed well. And those things that are highly uncertain, they ought not to have the same kind of favorable treatment. It is to get better information and better incentives in place as a major strategy to learn how to treat better and to spend smarter and we desperately need how to do both.

Mark Masselli: We are speaking with Dr. Gail Wilensky, Health Economist and Senior Fellow at Project HOPE. Dr. Wilensky, is someone who headed the federal agency charge with overseeing Medicare, you understand this program as well as anyone in United States you know how much of a burden unmanaged chronic disease is for this program, one of the biggest problems is the unmanaged or uninsured population coming into Medicare. This year there was a brief flurry of excitement that we might lower the Medicare enrollment age to 55, would this have been a good place to start with Health Reform?

Gail Wilensky: We need to understand that Medicare has a major financial problem in that it has made promises that are not funded and not fundable under their current system as financing, a huge un-funded liability, I think the number is something like 40 trillion or some other numbers are so large, it's hard to get your head wrapped around that number. We can stand how we bring people into insurance coverage. I would be reluctant to open up Medicare as opposed to proceeding the direction we were proceeding which is to subsidized insurance and let people have access to subsidized insurance or employer's sponsored insurance and to expand coverage for people who are at the poverty line and just a little above the poverty line, who do not now get picked up in our public programs. There is no reason you can't start with particular age groups just like in start with particular income groups. Given the financial woes that the Medicare program faces, the idea of opening up another ten-year block of the population just doesn't make sense to me unless we get our financial house in order first.

Margaret Flinter: And speaking of our financial house, Dr. Wilensky you have mentioned that the current payment structure and particularly how physicians are paid is really the bigger problem and not being adequately addressed, should this have been a priority to control cost and what's the alternative to the current payment structure?

Gail Wilensky: It's not only a priority to control cost, it's a priority to reform the delivery system. It's impossible to imagine having a better more functional delivery system when we continue paying physicians as we do now, which is under Medicare billing for more than 8000 individual codes, no rewards to the physicians that provide good quality outcomes practice medicine in a conservative way, no encouragement to work together as teams to integrate the delivery of care. It was very upsetting to me that it was just not a part of any of the healthcare reform plans, not paying for the problem we have gotten ourselves into which is up to $250 billion over the next 10 years to fix the hole we have dug and even more importantly not changing how we pay, if we are going to encourage better integrated care, better clinical outcomes instead of just doing more and more complex which is what we do now, we must move away from the current reimbursement system, neither the House nor the Senate bill did, although they have some interesting pilots that may or may not have ever gotten into law.

Mark Masselli: You have noted that it would be foolish for the administration to ignore polls that show voters, are now opposed to Healthcare Reform. At the same time polls show doctors support

Healthcare Reform, at what point do our leaders need to move away from the polls and make decisions based on what's morally right for the country?

Gail Wilensky: Well the doctors as I saw some of the polling supported those aspects that got them around the 20% reductions in fees that they were facing, although neither the House nor the Senate bills had any funding behind them got more complicated if you look at the other aspects of healthcare. It's fine to say do the right thing and making sure everybody in this country has coverage, is the right thing and we ought to do it not only for economic reasons, but because it's the right thing. It is a major problem for the individuals and the communities where they live when numbers of people don't have insurance coverage. But having said that, it is only at your political peril that you ignore the will of the people and they indicate in strong numbers that they don't like what's being considered now, they want an attention place in a different area, in this case on the economy and on jobs. And at a plurality or majority level, people are not supportive of the plans that are being considered. President seems to take the position that it's just a communication problem. It's not at all clear to me, I think it is also reflective of the increase in government that people have seen in the last year to year and a half, as we have struggled to get her arms around the _____ 12:09 and keep us from getting into where is economic trouble. Government involved in banks, government involved in GM and Chrysler, government involved in an un-funded stimulus package, any one of which may have been perfectly acceptable to the American population, but on a accumulative basis, I think that what you were seeing in Massachusetts and in the Town Hall meetings in summer should not be ignored, there are distressed angry Americans out there and we shouldn't ignore that.

Mark Masselli: Well we have been speaking with Dr. Gail Wilensky. Dr. Wilensky, thank you for joining us today.

Gail Wilensky: My pleasure, thank you for having me.

Mark Masselli: Each week Conversations highlights a bright idea about how to make wellness a part of our communities and everyday lives. This week Bright Ideas features a system that's helping save lives across the country, Organ and Tissue Donor Registration through the Department of Motor Vehicles. At most DMVs in the United States people applying for renewing their driver's license have the option to register themselves as organ and tissue donors in the event of their death. Over 87 million Americans are currently registered and well the donor label placed in the

license may be small, it certainly carries a lot of weight. A single organ donor can save up to 8 lives while a tissue donor can aid nearly 50 others. Donor registration is increasing all across the United States, but the California Department of Motor Vehicle is leading the pack. Last week, it reached a record enrollment level of 6 million people, the highest in the country. The California DMV success was made possible through its partnership with Donate Life California, a non-profit state authorized donor registry. Since the two began working together in 2005, organ donation has saved over 900 lives and tissue donation has helped nearly 30,000 more California patients. Over 16% of California residents and 26% of license drivers have already registered and that percentage is steadily rising. Organ donation plays an important role in community wellness as a whole. More than 100,000 Americans are currently waiting for organ transplants, a painful process that is arduous for both the patient and their family and friends. Organ donation is only possible in about 1% of deaths which means many people who need transplants never received them. According to Dorrie Dils the Chief Clinical Executive of the Ohio based organization Lifeline in 2008 300 residents donated their organs after dying, but Ohio has 3000 who need transplants. Every other day a patient dies waiting for a transplant. Dils believes many registered donors see donations as a way to leave a legacy of generosity and hope. She said most of us won't be able to do something in our lifetime to save someone. Being able to save lives after death is really honorable. Listeners who are interested in registering themselves as donors or learning more about the process can visit organdonor.gov for further information lead by the California Department of Motor Vehicles. DMVs across the country are making it easier for Americans to make this decision to donate life. Now that's a bright idea.

Margaret Flinter: This is Conversations on Healthcare. I am Margaret Flinter.

Mark Masselli: And I am Mark Masselli. Peace and Health.

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