Prevention and Health Care Reform

Dr. Michael O’Donnell
Shares What Every Worksite Wellness Professional Needs To Know About Prevention And The New Health Care Legislation

For more interviews, visit www.welcoa.org
Prevention and Health Care Reform

An Expert Interview with
Dr. Michael O’Donnell

ABOUT MICHAEL O’DONNELL, PhD, MBA, MPH

Editor in Chief, American Journal of Health Promotion
Founder and president of the Health Promotion Research Foundation
Member of the Board of Directors, Health Promotion Advocates

Dr. Michael O’Donnell, PhD, MBA, MPH, has directly managed three workplace health promotion programs over a 10-year span and helped 60 other employers design and manage programs. He is the founder and Editor-in-Chief of the American Journal of Health Promotion. Dr. O’Donnell’s publications include more than 170 articles, book chapters and columns, books and workbooks. His first book, *Health Promotion in the Workplace*, was published in 1984 as the first reference/textbook on workplace health promotion, and the updated edition remains a standard text in colleges and universities around the United States. He organized Health Promotion Advocates, a non-profit advocacy group committed to integrating health promotion concepts into national health policy. He strives to achieve the model of health promotion espoused by the American Journal of Health Promotion: a balance of physical, emotional, intellectual, social and spiritual health.

ABOUT DR. DAVID HUNNICUTT

Since his arrival at WELCOA in 1995, David has interviewed hundreds of the most influential business and health leaders in America. Known for his ability to make complex issues easier to understand, David has a proven track record of asking the right questions and getting straight answers. As a result of his efforts, David’s expert interviews have been widely-published and read by workplace wellness practitioners across the country.

David Hunnicutt can be reached at dhunnicutt@welcoa.org.
Dr. O’Donnell, a leading expert in the field of health promotion, recently sat down with WELCOA President Dr. David Hunnicutt to discuss prevention and the new health care legislation. In this provocative and compelling interview, Dr. O’Donnell shares his views on partisan politics and how they affect provisions in the Healthcare Reform Bill. As an advocate for workplace health promotion, he offers up important insights concerning the implications for workplace wellness & prevention programs—including new funding that will become available, and what's at risk for being discontinued. Through the lens of Dr. O’Donnell’s committed focus to wellness legislation, wellness professionals & business leaders will learn what they can do to prepare for and to take advantage of wellness provisions in the new legislation.

HUNNICUTT: What’s currently happening on Capitol Hill with respect to the new healthcare legislation?

O’DONNELL: Well, first of all, I think it’s important to state that the Patient Protection and Affordable Care Act (or the healthcare reform bill for short), will not be repealed. That said, on January 5th, Representative Eric Cantor, Republican from Virginia, who is the House Majority Leader, introduced a bill called “Repealing the Job-Killing Healthcare Law Act.” They already held a trial vote in the House, and 255 voted to support a repeal. They only need 218 to pass it, so it will pass the House when a formal vote is held, which will probably be on January 18. The repeal bill will then be referred to the Senate. The Senate is controlled by the Democrats, so the bill will never even come up for a vote. If it did come up for a vote, it would be defeated. If it did pass the Senate, it would be sent to President Obama for a signature, but he would veto it. Two-thirds of the House and Senate would need to support the bill to override a Presidential veto, and that would never happen.

Bottom line, the repeal is not going to happen. But, what is likely to happen is defunding of the bill. Funds to pay for the bill were included in the 2011 Federal Budget Bill, which covers federal operations from October 1, 2010 to September 30, 2011. The Budget Bill should have been passed in the fall of 2010, but passage was blocked by Republicans. Congress passed a continuing resolution that funds the government at 2010 levels through March 31, 2011. Congress will need to pass another funding bill before the end of March to keep the government running through the balance of the fiscal year. If the goal is to stop or slow implementation of the healthcare reform bill, this is a good strategy, because any provisions that need significant funding can’t move forward until funding for them is secured. For example, an important part of the bill is a Prevention Trust Fund which has $750 million allocated for the 2011 fiscal year. Within that, $250 million has been allocated for Community Transformation Grants to help communities implement health promotion programs. With no funding, these grants cannot be awarded to communities. Many provisions that do not require funding have already been implemented, including allowing children to stay on

About WELCOA
The Wellness Council of America (WELCOA) was established as a national not-for-profit organization in the mid 1980’s through the efforts of a number of forward-thinking business and health leaders. Drawing on the vision originally set forth by William Kizer, Sr., Chairman Emeritus of Central States Indemnity, and WELCOA founding Directors that included Dr. Louis Sullivan, former Secretary of Health and Human Services, and Warren Buffett, Chairman of Berkshire Hathaway, WELCOA has helped influence the face of workplace wellness in the U.S.

Today, WELCOA has become one of the most respected resources for workplace wellness in America. With a membership in excess of 3,200 organizations, WELCOA is dedicated to improving the health and well-being of all working Americans. Located in America’s heartland, WELCOA makes its national headquarters in one of America’s healthiest business communities, Omaha, Nebraska.
parents’ healthcare plans through age 26, prohibiting insurance companies from denying coverage for kids with pre-existing conditions, etc.

My guess is that Republicans will be successful in limiting funding for many programs.

H: As with any legislation, it appears that it’s politics as usual. Would you agree?

O: Yes indeed. The name of the bill should give some indication of that. It is called “Repealing the Job-Killing Healthcare Law Act.” Not only is this title inflammatory, it is misleading. There are no studies that indicate the healthcare reform bill will “kill” any jobs. In fact, most economists believe it will create lots of jobs. Furthermore, the non-partisan Congressional Budget Office (CBO) estimated that the bill will reduce the federal budget deficit by $230 billion in the next decade, and an additional $1.2 trillion in the decade after that. It also extends Medicare solvency by 10 to 12 years. So if the Republicans were successful in repealing the bill, they would be increasing the deficit, and accelerating the bankruptcy of Medicare.

It was pretty clear that politics would play a big role back in July 2009 when Jim DeMint, Republican Senator from South Carolina, said, “If we are able to stop Obama on this (healthcare reform) bill, it will be his Waterloo. It will break him.” A month later, Republican talk show commentator Sarah Palin claimed that the healthcare reform bill had “death panels” that would deny care to seniors in early August, 2009. To summarize, there was a provision in the bill that would compensate physicians through Medicare for time they spend talking with patients about end-of-life issues. For example, do they want to be revived if they have a heart attack when they’re frail and at the end of life? Do they want to have feeding tubes? Do they want to be on an artificial respirator? Would they prefer to be in a hospital or die at home? Sarah Palin said these were death panels, and she actually got this provision removed from the bill. Her comment was voted 2009 “Lie of the Year” by Politifact.com, but by that time, the public was already confused and concerned about the bill because of comments like this. This is very frustrating, as it really goes against what we know about medical quality. For example, there was a study published in the August 19th, 2010 issue of the New England Journal of Medicine, by Temel and Greer. This study supports what we have found in other studies; that patients who receive palliative care along with standard care extend their life by three months, on average, as compared to those who don’t have palliative care. These patients also have a higher quality of life and lower costs. So, partisan moves such as Sarah Palin’s are detrimental to our society.

The irony is that many of the original provisions in the bill were actually conceived by Republicans and many more were added as amendments in the Senate HELP and Finance committees, but once the bill started heading toward
I think we will see support grow for the bill in the next few weeks and months when people realize what they would lose if the bill was repealed.

provisions in the bill are very popular to both Republicans and Democrats, especially prohibiting insurance companies from denying coverage to people with pre-existing conditions, putting a ceiling on lifetime benefits, dropping coverage when someone gets sick, allowing kids to stay on parents’ policies through age 26, subsidizing premiums for poor people and small business, as well as the many health promotion provisions in the bill. I think we will see support grow for the bill in the next few weeks and months when people realize what they would lose if the bill was repealed.

I’m losing my tolerance for this kind of behavior. I really feel like politicians are playing politics with our lives. I think people really need to get educated on healthcare cost issues. Many people say they don’t want care rationed, but the fact is that we’re already rationing care. We’re rationing it away from some people who don’t have health insurance. For example, we know that one-third of all Medicare spending is in the last year of life, and one-third of that amount is in the last month of life. So if we can find strategies like palliative care that improve quality of life and even extend life and cut costs, why aren’t we using them? Many politicians are ultimately playing politics with our health. It’s unacceptable; it’s not what any decent person would do.

H: You mentioned provisions in the bill that support health promotion. Can you elaborate on those? What are the implications of those provisions in terms of workplace wellness and prevention?

O: There are 28 major health promotion/disease prevention provisions in the bill. Seven provisions help individuals, four help businesses, three help communities and states, and 14 help the entire nation.

In my opinion, the most important health promotion-related provision is section 4001, “The National Prevention, Health Promotion and Public Health Council, and National Prevention Strategy.” It calls for creating a Council that consists of the Secretaries of Education, Transportation, Agriculture, Health & Human Services, as well as some other major government agencies. This Council has actually already been created. The idea is to pull together government officials who have the authority to implement policies that will impact all aspects of society, so we can create a society in which the healthy choice is the easiest choice.
We know that it’s not just health education or medical care that improves peoples’ health. The way we travel, the way we are educated in school, the food we have to eat, all have more impact on our health behaviors than the formal health promotion programs we join. This Council will also have an Advisory Group of non-government experts in health promotion who will help them develop a national health promotion plan. This is what will have the greatest impact long term. The good news is that President Obama actually wrote an executive order creating this council and the plan, so it will be in place regardless of anything that’s done with healthcare reform repeal effort.

Another provision is Section 2-2705, which prohibits discrimination against people with pre-existing medical conditions from getting health insurance. It includes an amendment that allows employers to charge differential health plan premiums for people who achieve certain health goals or participate in health promotion programs to achieve those goals. The regulations for this have been in place for a while, but because they were only in regulation form, not statute, some employers were reluctant to implement these policies because they were concerned they could change at any time. The regulations will become statute through the bill. This provision has a couple other interesting pieces. It requires the federal government to study and report on the impact of incentives on health behaviors and health promotion programs by 2013. The provision also increases the premium differential amount from 20 percent—it’s 20 percent right now—to 30 percent in 2014. The Secretary of Treasury and Health and Human Services will also have the authority to increase the premium differential up to 50 percent. Follow up regulations for these provisions have been issued, so I don’t think these provisions are at risk of being repealed.

A couple of other things: the CDC has been instructed to provide technical assistance to help employers evaluate programs. The CDC has also been instructed to conduct periodic national employer surveys on workplace health promotion programs. In our 30-year history, this has been done only four times. Going forward, it will probably be done every other year. This will identify innovations, trends and gaps. It will help the public health community figure out where they need to better serve people. It will also help health promotion vendors identify new opportunities.

The idea [of the Council] is to pull together government officials who have the authority to implement policies that will impact all aspects of society, so we can create a society in which the healthy choice is the easiest choice.
There are two more that I think are very important. One is small business wellness grants. These will provide $200 million over five years to small employers with less than 100 employees to help them develop comprehensive health promotion programs. To qualify, employers will need to implement all components of the AMSO model (Awareness Motivation Skills and Opportunity). This was not funded in the current fiscal year. So, Health Promotion Advocates will focus on this next year. This $200 million would evaporate if the bill was repealed.

H: Are there any other programs or grants at risk?
O: Yes. The Prevention and Public Health Fund was set up to provide $15 billion for health promotion-related work over the next five years. It was $500 million last year, it’s $750 million this year, and it goes up by $250 million each year. The purpose of the fund is to allow prevention programs to compete with each other for funds, but not with all the other needs of the federal government. The Prevention and Public Health Fund would be wiped out if the healthcare reform bill were repealed or if it wasn’t funded.

H: What should workplace wellness professionals and business leaders be doing right now to prepare for and/or take advantage of the wellness provisions contained in the new healthcare legislation?
O: I think employers should really take a close look at implementing a healthcare premium differential for people who achieve health goals or participate in health promotion programs. Keep in mind that most effective health promotion programs provide an incentive to engage people to participate. When you provide an incentive of about $200 you can increase participation in workplace health promotion programs from 20 to 40 percent up to 70 to 90 percent. I do want to point out that incentives do not change behavior; the incentives just get people to participate. You have to have a great program to actually change behavior.

The beauty of these premium differentials is that you can finance the incentive, as well as the entire health promotion program through the health plan premiums, so it ends up being cost neutral to the employer. I recommend that employers take a close look at implementing premium differentials to fund their health promotion programs.

I would also recommend that small businesses review the wellness grant provisions, even though they will not be funded until 2012 or later. I think these are incredibly important because small businesses don’t have the financial incentives in terms of medical care cost containment that large businesses have. If you’re not self-insured, it’s very difficult to capture reductions in medical care costs that you achieve by making employees healthier and reducing medical utilization. So these wellness grants really provide that incentive.

September 30, 2010 issue of the New England Journal of Medicine by Koh and Sebelius titled, “Promoting Prevention Through the Political Care Act.” This article describes most of the provisions, and if you visit the New England Journal of Medicine website, you can get a free copy of this article.

What’s currently happening with the new healthcare legislation?
An important part of the bill is a Prevention Trust Fund which has [funds] allocated… to help communities implement health promotion programs.

Popular Bi-partisan Provisions
The individual provisions in the bill are very popular to both Republicans and Democrats, especially prohibiting insurance companies from denying coverage to people with pre-existing conditions, putting a ceiling on lifetime benefits, dropping coverage when someone gets sick… as well as the many health promotion provisions in the bill. I think we will see support grow for the bill in the next few weeks and months.

Implications for Health Promotion & Prevention
There are 28 major health promotion/disease prevention provisions in the bill. Seven provisions help individuals, 4 help businesses, 3 help communities and states, and 14 help the entire nation… The most important health-promotion-related provision is [the creation of a National Health Promotion Council] to implement policies that will impact all aspects of society, so we can create a society in which the healthy choice is the easiest choice.

Other Beneficial Provisions
The CDC has been instructed to conduct periodic national employer surveys on workplace health promotion, [which] will identify innovations, trends and gaps. It will help the public health community figure out where they need to better serve people. It will also help health promotion vendors identify new opportunities.

What should workplace wellness professionals and business leaders be doing to... take advantage of the wellness provisions in the new legislation?
I think employers should really take a close look at implementing a healthcare premium differential for people who achieve health goals or participate in health promotion programs.

I would also recommend that small businesses review the wellness grant provisions, [which] will provide $200 million over five years to small employers… to help them develop comprehensive health promotion programs.
H: Where can we go for more information on the provisions and this legislation?
O: Most of the prevention provisions are contained in what’s called, “Title IV, Prevention of Chronic Disease and Improving Public Health” of the healthcare reform bill. You can get a copy at www.healthcare.gov. Click on “Provisions.” Title IV is on pages 463-514 of the bill.

Also, there was an excellent article published in the September 30, 2010 issue of the New England Journal of Medicine by Koh and Sebelius titled, “Promoting Prevention Through the Political Care Act.” This article describes most of the provisions, and if you visit the New England Journal of Medicine website, you can get a free copy of this article.

Health Promotion Advocates, which I used to be the chairman of, got behind six provisions that are included in the final bill. These provisions are described in editorials that I wrote in the American Journal of Health Promotion. They were in the May, July, and September 2010 issues, as well as the January 2011 issue. You can visit www.healthpromotionjournal.com to get free copies—click on Publications and then click Editor’s Notes. That’s where the details are.

H: How can people get involved?
O: I really hope that WELCOA members get involved in persuading Congress to support these wellness provisions. I recognize that not everyone likes the Healthcare Reform Bill. Some people feel that it’s not the right approach. But regardless of where they stand on the overall bill, I hope everyone supports the health promotion provisions. If so, they should tell their two Senators and their Representative to support the “wellness” provisions. You can do this by calling the Congress switchboard at 202-224-3121. You don’t even need to know the name of your Senators and Representative; the switchboard will connect you to the right offices. You should ask to speak with the aide in charge of healthcare issues and just tell them to please support the wellness provisions in the Healthcare Reform Bill.

If you want to get involved in health promotion advocacy, you can also do so by joining forces with Health Promotion Advocates. We just finished our strategic planning effort, and in 2011 our focus is going to be on supporting the small business wellness grants. We’ll be organizing a campaign to reach all members of Congress. We’ll be building coalitions of the business groups and public health groups to rally around this issue. We would love to have WELCOA members work with us and they can do this in two ways: First, David, I will contact you personally to see how WELCOA can help to mobilize your members. Second, people can sign up to become a member of Health Promotion Advocates directly by visiting www.healthpromotionadvocates.org. They will receive regular updates on our efforts and alerts of when it is time to take action. Note that our website is going through a makeover to announce our new focus, so it looks a little out-of-date right now.

RESOURCES YOU SHOULD KNOW ABOUT...

Health Promotion Advocates, which I used to be the chairman of, got behind six provisions that are included in the final bill. These provisions are described in editorials that I wrote in the American Journal of Health Promotion. They were in the May, July, and September 2010 issues, as well as the January 2011 issue. http://www.healthpromotionjournal.com/publications/journal.htm#Editors_Notes. You can also visit www.healthpromotionjournal.com to get free copies of publications.