

July, 2000
Volume I, Number 3

In this issue...

New Health Policy Course

**US Healthcare System
Ranked by WHO**

**Southern States Low in
Measures of Child Well-
Being**

**Institute of Medicine Calls
for Safety Net Support**

**Studies on Quality of Care
in TennCare**

Short Notes

Health Care Notes

is published by
**The Center for Health
Services Research**
The University of Tennessee

66 North Pauline Street
Memphis, Tennessee 38163
Tel: (901) 448-5826
FAX: (901) 448-8009
E-mail: centerhs@utmem.edu
www.utmem.edu/center

David M. Mirvis, MD
Director

The University of Tennessee is an Equal
Employment Opportunity/Affirmative Action/
Title VI/Title IX/Section 504/ADA/ADEA
Employer

New Interdisciplinary Health Policy Course to be Internet Based

A new course on the fundamentals of health policy will be introduced at the University of Tennessee for the fall, 2000 semester. The course will be offered to graduate students in several programs, including the doctoral degree programs in health science administration and nursing and the masters degree programs in epidemiology, allied health and social work. It will be taught by an interdisciplinary team of faculty from the Colleges of Medicine, Nursing, Pharmacy and Social Work, and will be directed by Virginia Trotter Betts, RN, MSN, JD, Associate Director of The Center for Health Services Research and Professor of Nursing.

The intent of the course is to provide students with a rigorous understanding of the formulation and implementation of health policy in the United States. By including students and faculty from multiple health professions, it will stimulate discussion of important policy issues as viewed from different perspectives and will promote the concept of health care as a team issue. Students from the different disciplines will be expected to work on various class projects together.

Course material will be presented using a web-based format. Students and faculty will meet at the beginning and end of the semester, and all other assignments and activities will take place over the internet. This will include reading assignments, discussion groups and examinations. This format will rely upon advanced technology to use new approaches for active learning and to allow students who are employed or who live anywhere in the nation to enroll in the course. These methods will be applied to this course by Dr. Michael Carter, University Professor and former Dean of the College of Nursing.

For additional information about this course, contact Ms. Virginia Trotter Betts at The Center for Health Services Research.

World Health Organization Ranks US Health Care System as 15th in World

The health care system of the United States ranks 15th among all members of the United Nations in terms of health-related outcomes and processes according to the first worldwide analysis of health systems of the World Health Organization. The report rated health care systems based upon three overall goals - good health, responsiveness to the expectations of the population and fairness of the financial contribution. Based on these three measures, Japan was rated first, Canada was ranked seventh, and the United Kingdom was rated ninth.

(continued →)

“... it is evident that health systems in some countries perform well, while others do not. This is not due just to differences in income or expenditure...the way health systems are designed, managed and financed affects people’s lives and livelihoods.”

Page 2

The United States had the highest per capita expenditure on health. When expenditures per capita were related to all the other outcomes, as a measure of efficiency, the United States fell to 37th. France topped the list of nations in this measure. When only life expectancy was related to costs, the United States ranked 72nd.

Health care was scored by measuring the duration of life without disability and child survival. Responsivness included assessments of respect for the individual (dignity, autonomy, etc.) as well as degree of client orientation (access to social support networks, amenities, etc.), and fairness of financial contribution was measured by the cost of health care in relation to a family’s income.

All three included assessments of the distribution of services throughout the population as well as actual measures of health, service delivery and finance. The report “asserts that the differing degrees of efficiency with which health systems organize and finance themselves, and react to the needs of their populations, explain much of the widening gap in death rates between the rich and poor, in countries and between countries, around the world.”

Kids Count 2000! Survey: Southern States Near Bottom of Scale in Child Well-Being

Ten southern states were among the 15 states with the worst measures of child well-being in the Kids Count 2000! report published by the Annie E. Casey Foundation (Figure 1). Tennessee ranked 45th among the 50 states.

Ten measures were studied, including measures of low-birth weight babies; infant, child and teenage death rates; teen birth rates; teen school attendance rates; and the prevalence of children in poverty, in single parent homes and with parents who do not have full-time employment. Tennessee’s ranking on individual measures varied from 19th (on percent of children living with parents who do not have full-time employment) to 48th (on percent of teens not attending school and not working). Minnesota and New Hampshire received the highest scores, while Louisiana received the lowest. The full report is available on the internet at www.aecf.org/kidscount/kc2000/index.htm.

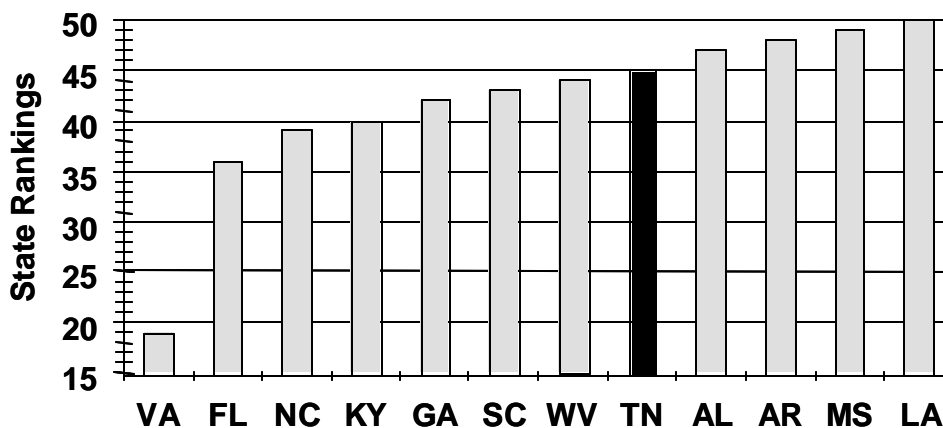


Figure 1: Rankings of southern states in the Kids Count 2000! survey.

(continued →)

The Health Care Safety Net Described as “Intact but Endangered” in Institute of Medicine Report

The health care safety net is under increasing strain from its growing responsibilities and shrinking financial resources. The system, which provides “health care and other related services to uninsured, Medicaid, and other vulnerable populations”, is facing the combined challenges of the increasing numbers of uninsured, the growing Medicaid managed care plans and shrinking government subsidies. These forces may cause the system to fail. These conclusion are described and supported in a recent report by The Institute of Medicine.

Medicaid managed care was considered a potent threat to the safety net. In 1998, 53.6% of all Medicaid recipients in the nation - and 100% of Medicaid recipients in Tennessee - were enrolled in a managed care plan. The expansion of mandatory managed care plans has led to falling Medicaid revenues in safety net hospitals because of (1) the diversion of Medicaid beneficiaries to other hospitals as lower commercial payments make Medicaid rates appear more attractive and because managed care plans offer Medicaid beneficiaries more choices of hospitals, and (2) lower negotiated payments in the face of commonly higher costs.

The report calls for new governmental initiatives to bolster and protect the system. “These health care providers fulfill a critical role”, concluded Dr. Stuart Altman, chair of the committee that wrote the report, “and the government must be there to help them.” Recommendations include (1) assuring that state and federal policies explicitly consider and monitor the impact of changes in Medicaid policies on the safety net and the needs of the uninsured; (2) expanding technical assistance programs to improve the operations and competitiveness of safety net providers; and (3) funding grants to support safety net providers, for enhancing the infrastructure of the safety net and for developing new models of care.

A summary of the report is available on the internet at www4.nationalacademies.org, and the full study is available as a monograph from the National Academies of Science, Washington, DC.

Studies Report TennCare Enhances Quality of Care for Acute and Chronic Conditions

New studies conducted by investigators from the University of Tennessee have demonstrated that TennCare improved the quality of care received by former Medicaid beneficiaries and the uninsured. Topics studied included the utilization of mammograms and care for patients with diabetes and HIV/AIDS.

The use of mammograms among women aged 50-65 years nearly doubled from 19.2% in 1992-1993 (before TennCare) to 35.8% in 1995-1996. Findings for diabetics included more frequent outpatient visits per year, eye examinations to identify complications, blood cholesterol tests and assays of glycosylated hemoglobin levels to measure long-term diabetes control after initiation of TennCare than before. Among those with AIDS, the number of emergency room visits and hospital admissions fell and the use of effective antiretroviral drug therapy rose,

(continued →)

“In the absence of universal insurance coverage and while new market paradigms are unfolding, it seems likely that the nation will continue to rely on safety net providers to care for its most vulnerable and disadvantaged populations”

and the incidence of pneumonia and overall mortality fell after introduction of TennCare.

The research group was led by James E. Bailey, MD, MPH, Associate Professor of Medicine and Preventive Medicine and an Associate of The Center for Health Services Research. According to Dr. Bailey, “Our research, and the work of others, shows that TennCare has led to substantial improvements in quality of preventive and chronic disease care in Tennessee. Despite its financing problems, the TennCare program is saving lives in Tennessee.”

Short Notes

□ 95% of Tennesseans feel that it is very important for Tennessee to be a leader in medical research, 54% indicated it is very important to Tennessee’s economy to spend money on medical research and 87% approved of state-funded incentives for medical research, according to a survey conducted for Research! America.

□ 82% of Tennessee voters surveyed in December, 1999 favored use of a “substantial” portion of the tobacco settlement money for youth tobacco use prevention and 45% said they would be more likely to vote for a legislator who supported spending money on prevention programs (Tennessee Medicine, April, 2000).

□ 40% of bankruptcies in the United States in 1999 were precipitated by high medical bills (British Medical Journal, 2000).

□ 44% of insured adults agreed with the statement “I think my doctor is strongly influenced by health insurance companies when making decisions about my medical care” (Center for Studying Health System Change, 2000).

□ Almost twice as many people change health providers because of personal preference (40%) than because of health insurance requirements (22%) (Center for Studying Health System Change, May, 2000).

□ Productivity costs of illness exceed direct medical care expenses (Figure 2, Business and Health Report, May 2000). Allergy is the most costly condition to businesses, costing \$1,436,292 per year in medical care and lost productivity for an average company of 1000 employees; depression was second at \$880,152.

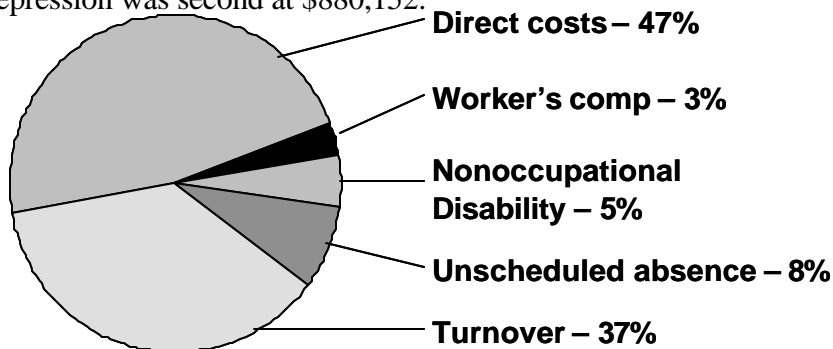


Figure 2: Direct health and productivity costs of illnesses to business. Source: Business and Health, May 2000

Health Care Quote:

“There is no keener revelation of a society’s soul than the way in which it treats its children.”

-- Nelson Mandela