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Mark Masselli: This is Conversations on Health Care, I'm Mark Masselli.

Margaret Flinter: And I'm Margaret Flinter.

Mark Masselli: Well Margaret after eight years of the Obama presidency, President Trump is taking over the reign in Washington in what looks like to be an entirely new approach to health reform.

Margaret Flinter: Well Mark we've seen many changes in the health care industry over the years but I wonder if any have been as dramatic as the changes that we've seen over these last years of the Affordable Care Act. Really a lot of improvements in health quality, so we are fervently hoping to maintain some of these positive progressions.

Mark Masselli: We thought it would be a great time to bring in a highly respected health policy analyst Dr. Mark McClellan the former administrator for the Centers for Medicare and Medicaid under President George W. Bush.

Margaret Flinter: And hopefully we'll bring some unique insights to this evolving landscape in health reform as we move forward from this point on.

Mark Masselli: And we also have Lori Robertson, Managing Editor of FactCheck.org who's always on the hunt for misstatements spoken about health policy in the public domain. And no matter what the topic you can hear all of our shows by going to chcradio.com.

Margaret Flinter: And as always if you have comments email us at chcradio@chc1.com or find us on Facebook or Twitter because we love hearing from you. Now we'll get to our interview with Dr. Mark McClellan in just a moment.

Margaret Flinter: But first here our producer Marianne O'Hare with this week's headline news.

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Marianne O'Hare: I'm Marianne O'Hare with these Health Care Headlines. Health and Human Services Secretary nominee Dr. Tom Price took a grilling at his confirmation hearing, largely surrounding his investment portfolio and plans for replacing the Affordable Care Act. Price had reportedly had made several investments in medical device and pharmaceutical companies who then benefited from legislation he introduced claimed he didn't know what investments were being made by his broker. Congressmen Price said he would work to ensure the vulnerable still had access to health care after the law was repealed, though impressed for details he didn't indicate how that would happen. Meanwhile a majority of Americans gain health coverage

through their employers and they're also likely to see some changes to that coverage under repeal of the Affordable Care Act. A number of ACA driven benefits could go away including what's known as essential benefits. All preventive screenings are covered with no co-pay, no annual caps on insurance payouts, no lifetime limits on payouts for catastrophic illness, all of those are at risk.

The world's economic influencers gathered in Davos, Switzerland for the world economic summit, a coalition of government and health leaders and philanthropist from around the world has launched a preemptive strike against the next global pandemic. They form the coalition for epidemic preparedness the goal to outsmart future epidemics with a fund to develop new vaccines. Bill Gates saying the Ebola and Zika virus outbreak showed how "woefully ill prepared the world is to tackle the emerging threat." Also from Davos a look forward health forecasters seeing continue growth in the digital health arena some trends that will likely gain traction, financial innovations for funding a sustainable future global health economy including greater reliance on sugar and tobacco tariffs, encouraging accountability for a more open and transparent health system which should lead to better outcomes. And more advanced applications of new personalized and genomic medicine technology, 3D printing and robotic surgery also look to see tremendous growth in the health sector moving forward. I'm Marianne O'Hare with these Health Care Headlines.

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Mark Masselli: We're speaking today with Dr. Mark McClellan Director of the Robert J. Margolis Center for Health Policy at Duke University. Dr. McClellan served as the former administrator at the Centers for Medicare and Medicaid as well as Commissioner of the Food and Drug Administration under President George W. Bush. Also a senior fellow and director of Health Care and Value Initiative at the Brookings Institution, board certified in an internal medicine Dr. McClellan earned his MD from the Harvard MIT division of Health Science and Technology. Dr. McClellan welcome to Conversations on Health Care.

Dr. Mark McClellan: Mark, Margaret great to talk to you.

Mark Masselli: As someone who know the interworking of the federal government and the process of advancing tough policy initiatives like health reform, what do you believe are the most significant changes we're likely to see coming from the Trump Administration in congress?

Dr. Mark McClellan: It's probably no accident that health care is continue to be very important policy issue that area where the federal government is spending the most money and on the other hand medical care can do more and more to extend lives and really add a lot of value for our economy as well. So where we are likely to see things

head in this next round is more of approaching in the direction towards less of a role and requirement set by the federal government where it's a big role for states. But I would emphasize that there is some common ground among democrats and republican for example Dr. Price although strong critique of the Affordable Care Act, secretary Health and Human Services will be implementing a bipartisan law that he sponsored to significantly reform the way physicians are paid in Medicare and have implication throughout the health care system with the goal trying to create more value. So areas where there is a lot of disagreement but also there will be other policy reforms taking place that have more bipartisan support.

Margaret Flint: Dr. McClellan if we polled most Americans today we probably find that they had tended to focus more on things which had a direct impact on them today from the Affordable Care Act, but there were so much more. One of the important areas were payment reform initiatives within the ACA that some would say have led to some real savings whether within Medicare or the growth of accountable care organizations. Help our audience understand some of these payment reform initiatives that we saw under the ACA.

Dr. Mark McClellan: When I was starting in CMS I have lots of meetings with health care providers around the country, we're trying to do the right thing for their patient answering emails by setting up teams to take care of their patients hiring nurses, social workers who could do things that physicians don't have time to do. And what a lot of these efforts have in common was that they led to better outcomes for their patient and they led to lower cost for Medicare but Medicare didn't pay for any of that stuff. So instead what we set up was an early version of what became something like the accountable care organizations today where you made a deal with a pilots of health care providers which was that if they could track who their population of Medicare beneficiaries were doing on things like controlling your diabetes and they were preventing avoidable hospitalization. And at the same time the overall Medicare cost were lower, those kinds of programs have evolve with bipartisan support and legislation like MACRA into much more widespread use of new kinds of payment models today. And that was part of the affordable care act. I do think in the new administration and what's more of a -- I want to call it a republican flavor you might see more efforts to build on what CMS has done already to align with things going on the private sectors and I also think more of an emphasis on payment reforms that get to the consumer side of things. If patients choose less costly ways to get their cares, more ways for them to share in savings as well.

Mark Masselli: Dr. McClellan, President Trump recently said that everyone would have insurance, house speaker Paul Ryan has a different view about how to repeal and replace creating high risk pools eliminating the Medicaid expansion. And what type of advice would you give to the nation's network of community health centers which care

for some 24 billion Americans on how they should think strategically and prepare themselves for the changes that are afoot?

Dr. Mark McClellan: Well community health centers in the program grow steadily over the last couple of decades with I would add this another whether it is some bipartisanship --bipartisan support for community health centers and increase funding, because their role is really important from primary care type services towards now playing integral roles in some cases leading true population care management approaches like being part of accountable care organizations and being a medical home for a network of care in conjunction with specialist in their region particularly for vulnerable patients and -- and states that haven't expanded Medicaid. The health centers are developing more efficient network to deliver care best they can in the ambulance service much insurance coverage. I those kinds of steps are going to continue to get bipartisan support and attention if there is for example, more shift towards state flexibility and how they provide care for lower income and the vulnerable residence. One might expect greater reliance on efficient on our community health center base network and similarly if some of that reforms have take place in the exchanges are really kind of pushing towards more efficient ways of delivering care, that too may feature a bigger role for community health centers in that reform health plan. So I think the future is both challenging but also bright in some ways. For community health centers the more they're able to expand from focusing only on what happens when the patient's in your office to what's really going on with helping the patient to prevent complications and get the best health outcomes and avoid unnecessary cost, that set up our constructive direction for -- for health centers too.

Margaret Flinter: Well Dr. McClellan there is a recent report from the congressional budget office that predicted in a large jump in the number of uninsured Americans and a rise in uncompensated care. What do you think governors and state legislatures should be doing or considering as they plan for potential changes in their policies and budgets?

Dr. Mark McClellan: Well I think as far as what the congressional budget office recently reported was that if all that happened in congress was repealing the funds for Medicaid expansion like payment of the Affordable Care Act, lots of people will do out coverage, the insurance markets will become unstable and we'd end up with very high rates of an insurance. I think the republicans has very pointedly emphasize that that is not their plan, their plan is repeal and replace, but we are right now just at the beginning of that legislative process with just the first steps towards real repeal happening, what that needs to happen at more clarity around how proposals like big alliance would work at, they have continue to have a tax credit for people to buy insurance with more competition and bigger role for states and assisting low income individuals, people with high healthcare needs that proposal is not yet completely flushed out into legislative language to not just repeal key provisions of the Affordable Care Act but to replace with

a model that depends on steps like thing continuously enrolled and having a support available for people who have higher health care need. And I know that president elect is -- talk about how he wants this to happen sooner rather than later, encouraging the two sides in congress to come together. This is an issue that very important topic that will continue to be debated for all the foreseeable future.

Mark Masselli: We're speaking today with Dr. Mark McClellan Director of the Robert J. Margolis Center for Health Policy at Duke University. Dr. McClellan served as the former Administrator at the Center for Medicare and Medicaid as well as Commissioner of the FDA under President George W. Bush. He also served on the President's council of Economic Advisors. And Dr. McClellan I would like to pull on your expertise around economics as you know health care constitutes about one fifth of the nation's GDP and the American Hospital Association has warn that the industry could suffer up to 160 billion dollars in setbacks in the short term. And other analyst estimate a complete repeal of the ACA could lead to three million jobs lost in health and I'm sure that both the Trump Administration and congress are going to take these economic impact into consideration as they think through health reform.

Dr. Mark McClellan: Well one thing we can say for sure the numbers are big there are a lot of people effected that even though it's only around 10% of the US population 21 million people with coverage related to the ACA. Republicans have been stressing that this is not just about taking away funding and destabilizing current insurance markets and but rather about replacing it with something it does provide a good less costly alternative. What we're talking about though in terms of job growth from the -- the hospital side is really about slowing the growth rate. So even through the recession, so the great recession the biggest slowdown in the economy hospitals and the health care sector continue to add job it was one of the bright spots over the years following the 2008 market crash. So a reform would affect our hospitals but some of the reforms have behind them the idea of changing the way that care is delivered social services and supports. Mental and behavioral services that could had off emerging room visits for patients with poorly controlled dental illnesses or care coordination services that might involve a nurse practitioner or a pharmacist. I feel pretty confident about the overall future of the health care industry but I do think that's a new direction for hospitals and for health care employment are probably good for the economy in terms of creating new kinds of jobs and also good for the wellbeing of Americans.

Margaret Flinter: Dr. McClellan one aspect of the high cost of health care that got a lot of attention in the past over months was drug prices. You served as the commissioner of the FDA so you know perhaps better than anyone in the country the complexity of drug pricing and certainly the intricacies of the pharmaceutical industry. How can we meaningfully bring drug cost down without harming research and development pipelines?

Dr. Mark McClellan: It's important to remember that there are a lot of different issues going on that are contributing to our high drug cost. Some of the drugs that have made the most news like EpiPen and others are generic drugs where there really isn't a reason why other drug manufacturers couldn't come in and make it some more drug and have some real price competition. And there is actually bipartisan legislation now in congress to try to encourage steps that would do that, steps like giving the FDA more support to approve new competing drug and make it easier for generic drug manufacturers to get that quick and predictable approval to market drugs where there is a need for -- for more competition to improve the availability of low cost generic alternatives where we're not seeing good competition now. There are also opportunities coming for biologic drugs and the most expensive drugs that are much more complex the manufacturers so called buy a similar drugs are starting to come on the marketing in United States and there are opportunities for perhaps by some estimates 50 billion dollars in savings of very similar medication, some real opportunities for bringing cost down.

I think we're going to see in the coming months and years more attention the same kind of reforms that we were talking about earlier primary care doctors, oncologist hospitals others are moving into payment models where they pay more for actually getting better results for patient. So far those models have more or less excluded prescription drugs and also medical devices even though the incremental cost of producing another pill is quite low and the real value is in the -- intellectual property in the molecule itself and then knowing how to use it in particular occasion. So drug seem to me to be a good opportunity for new payment models that are more aligned with this shift to greater values. Imagine a drug manufacturer would pay more for getting better results and let the population that using the medication.

Mark Masselli: Dr. McClellan we recently hosted your former Duke colleagues Dr. Victor Dzau on our show who is the now the director of the National Academy of Medicine he's very complimentary about not only your work that you've been doing in value driven health approach, but that you're a great example of health bipartisan approach can actually work to advance good policy and I'm wondering where you see that stream of opportunity and collaboration.

Dr. Mark McClellan: Well I think it is hard to get health care right, again the biggest component of the federal budget now and -- and even though there are some disagreements on very important issues like how the Medicaid program should work for low income American. Some of this is reflected in the recent report that Victor Dzau and I worked on at the National Academy of Medicine on broad directions for health care. This report had recommendations in three major areas steps to improve population's health bringing traditional health care more into population health improving long term outcomes at a lower cost. Second area is changing the way that we pay and

finance health care, but at least payment models that are less burdensome administratively on providers, paying for things like send it off with hours or converting their office visits to telemedicine or just remote patient monitoring. And then the third area is in our education and research programs, most of our training dollars right now goes into the traditional ways of running a lab of delivering care in hospital, not as part of a team there are some good educational models and margin taking advantage of big data, large scale research network team base approaches to health care all of these areas have considerable bipartisan support but do require policy changes but there are also a lot of opportunities for bipartisan legislation to get to better health for the country and to help get health care cost down.

Margaret Flinter: We've been speaking today with Dr. Mark McClellan Director of the Robert J. Margolis Center for Health Policy at Duke University. You can learn more about his work by going to healthpolicy.duke.edu, Dr. McClellan thank you so much for joining us on Conversations on Health Care today.

Dr. Mark McClellan: Thank you all great to talk to you Mark, Margaret about this important topic.

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Mark Masselli: At Conversations on Health Care we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and managing editor of FactCheck.org a nonpartisan, nonprofit 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: As President Obama leave the office we looked back at fact checking the 44th president and health care headlined the biggest falsehood of Obama's tenure. Back in 2009 he promised quote, if you like your health care plan you keep you keep your health care plan. We wrote then that Obama couldn't keep that promise for everyone and in 2013 reality caught up with the president after the minimum benefit standards were set the ACA market place open for business on October first 2013. Almost immediately some individual market policy holders began to receive cancelation notices from their insurance company. By November 14th 2013 Obama announced a temporary fixed to address the problem and admitted that he had made some assumptions about the law that were incorrect.

Also in 2009 Obama claimed in a speech to congress that an insurance company was responsible for the government Illinois cancer patient, it wasn't. Insurance company did briefly canceled the man's coverage but his sister said the interruption lasted a few weeks and shortly after the man was able to get a successful stem cell transplant that extended his life by three and a half years. And another Obama anecdote turned out

not to be true in 2011, Obama had long told the story about his mother's battles with her health insurance carrier, he claims that she was nearly denied health insurance coverage for a preexisting condition while she was dying, but in 2011 author Jenny Scott published a biography on Obama's mother and in it she wrote that Dunham's fight was over disability coverage which was not affected by Obama's health care law and not over medical insurance coverage. Scott had, had access to Dunham's letters to her insurance company. For more on our eight years of fact checking Obama see our website, I'm Lori Robertson Managing Editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's 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 would like checked, email us at www.chcradio.com. We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

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Mark Masselli: Each week Conversations highlights a bright idea about how to make wellness a part of our communities and everyday lives. Albuquerque oncologist Dr. Barbara McAneny didn't like the trend she saw in her 3500 patients that she treats every year. When her cancer patient suffered illness and side effects those who are hospitalized or even treated in the emergency room came out sicker.

Dr. Barbara McAneny: If a cancer patient walks into the emergency room studies have shown that they have between a one third and two third chance of getting admitted because ER doctors are used to taking care of people with heart attacks and having babies and gunshot wounds and car accidents, and our patients come in and they're skinny and they're bold and they don't look healthy and they take one look at them and go my gosh you look like you need to be in the hospital.

Mark Masselli: She realize that a problem was in the hospital themselves. Far more lethal to those with compromised immune systems like cancer patients. She thought what if I offer weekend support for all of my patients allowing those patients to avoid a trip to the emergency room. She launched the COM Home model which stands for Community Oncology Medical Home offering weekend office hours where cancer patients can be seen and treated immediately by clinicians familiar with their case. She found those patients were often admitted to the hospital when they really didn't need to be.

Dr. Barbara McAneny: So I wrote the triage pathways, so that we could discern which patients really did need to go to the emergency room, you sound like you really are having a heart attack so you really need to go to the ER. But you sound like you're

having chest pain because you have bronchitis and you're coughing now your ribs are kind of sore. We can fix that you can come here.

Mark Masselli: She said cancer patients are already under pressure of massive medical bills and lose of income unnecessary hospitalizations were creating enormous cost. The COM Home model has saved her patient population some 18 million dollars in medical cost.

Dr. Barbara McAneny: We started with a triage pathways coming up with a systematic way that sends people to the right side of service for what they need.

Mark Masselli: The program has been loaded by former CMS Administrator Mark McClellan who says it provides a robust framework for better care to Medicare patients. The American Society of Clinical Oncology recently announced the collaboration with COM Home to help other oncology practices lower cost and improved quality of care at cancer facilities around the country. The COM Home model treating cancer patients suffering symptoms from treatment with timely and targeted care that is sensitive to their unique health challenges, saving money while improving the patient care now that's a bright idea.

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Margaret Flinter: This is Conversations on Healthcare, I'm Margaret Flinter.

Mark Masselli: And I'm Mark Masselli, peace and health.

Conversations on Healthcare, broadcast from the campus of WESU at Wesleyan University, streaming live at www.wesufm.org and brought to you by the Community Health Center.