Rural Wisconsin
Health Cooperative

Eye On Health

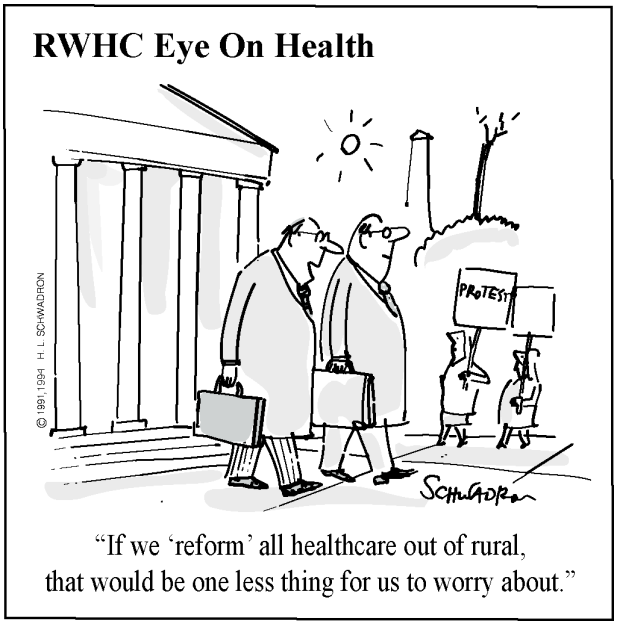
Review & Commentary on Health Policy Issues for a Rural Perspective – May 1st, 2009

Top 10 Rural Issues for Health Reform

The following is from Jon M. Bailey at the Nebraska's Center for Rural Affairs *Newsletter*, 4/09; the complete version is available at **http://www.cfra.org/** :

Summary–"The 'Top 10 Rural Issues for Health Care Reform' highlight the health care issues facing rural people and places, the second in our series examining health care issues in rural America. Rural people and communities face many of the same health care concerns confronting the rest of the nation–exploding heath care costs, large numbers of uninsured and underinsured, and an overextended health care infrastructure. However, we also face many unique challenges."

An Economy Based on Self-Employment and Small Business–"Owner-operated farms, ranches and small businesses dominate the rural economy. As a result, rural areas have lower rates of employer-sponsored health insurance and higher rates of un-insurance and underinsurance. Any health care reform provision that relies exclusively on maintaining the current employer-sponsored health insurance system will not be as relevant for rural areas for these reasons. Health care reform must include options–including a public health insurance plan option–to small businesses and the self-employed for comprehensive, affordable and continuous coverage comparable to larger group coverage."



Public Health Insurance Plans: Dependence and Need–"Nearly a third more rural people are covered by public health insurance plans compared to urban residents. Public plans in health care reform are important to rural people for two reasons – strengthening the current plans for those already a part of them and providing a public health insurance plan option for those who do not qualify for current programs and who are unable to obtain affordable, comprehensive and continuous health insurance through their work or through the private market. Private and public health insurance plans are not an either-or proposition. Rather, both are necessary and compatible for a high-functioning, cost-effective system."

A Stressed Health Care Delivery System–"The health care infrastructure in much of rural America is a web of small hospitals, clinics and nursing homes (often attached to the hospitals) often experiencing significant financial stress. Reform must provide these facilities with resources to update their technology, provide care to the unserved and underserved, and must address the current funding model that places many rural facilities at a disadvantage."

Health Care Provider and Workforce Shortage–"Rural areas have critical shortages of all health care providers and professionals, particularly the primary care professionals that are so important in rural communities. Reform must offer new approaches and incentives for rural health professionals. New methods of financing health care must

also not exacerbate the rural health care shortage by providing even more economic disincentives to rural, primary-care medical professionals."

An Aging Population–"Many rural areas are experiencing an aging population, and with it an increase in chronic diseases, disability, and pressure on an already burdened health care system. Reform must provide the services and facilities to enable aging rural people to stay in their homes and communities."

A Sicker, More At-Risk Population–"Rural people have higher rates of nearly all chronic diseases and conditions and higher rates of disability. The ultimate health status of rural people has much to do with health insurance coverage and the type of health insurance coverage. These differentials between rural and non-rural people also place rural people more at risk of higher premiums or being denied coverage when pre-existing conditions exist. These factors all lead to poorer health outcomes for many rural people. To address these disparities, health care reform legislation should act to enhance and promote health and remove barriers to affordable health insurance coverage."

Need for Preventive Care, Health and Wellness Resources–"Rather than treating just sickness, our health care system must focus on wellness and prevention. This is particularly true for rural areas that suffer higher rates of obesity and other preventable problems. Reform must do more to enhance and promote health and wellness."

Rural Wisconsin Health Cooperative, begun in 1979, has as its **Mission** that rural Wisconsin communities will be the healthiest in America. Our **Vision** is that... RWHC is a strong and innovative cooperative of diversified rural hospitals... it is the "rural advocate of choice" for its Members... it develops and manages a variety of products and services... it assists Members to offer high quality, cost effective healthcare… assists Members to partner with others to make their communities healthier… generates additional revenue by services to non-Members… actively uses strategic alliances in pursuit of its Vision.

Tim Size, RWHC Executive Director & *EOH* Editor
880 Independence Lane, Sauk City, WI 53583

office@rwhc.com Website: **http://www.rwhc.com**

Blog: **www.ruraladvocate.org/**

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Lack of Mental Health Services–"Over half the counties in the United States have no mental health professionals. As a result, the stressed primary care delivery system in rural areas ends up treating mental health issues for which they are ill-equipped. Reform must create incentives to provide resources for a specialty rural mental health marketplace similar to what exists for rural medical clinics."

Increasing Technology Dependence–"Technology is increasingly used to improve patient safety, quality of care, and efficiency. However, adoption of health information and telehealth technology remains low in rural areas in many respects. Reform must include resources for health technology, and efforts to close the rural broadband gap."

Effective Emergency Medical Services–"Emergency medical services (EMS) are first-line health care providers in rural areas. Rural EMS providers are underfunded, face growing demand, and workforce and volunteer shortages. Reform legislation must provide resources to make these vital EMS services sustainable."

With Health "Reform," No Free Lunch

From "We All Want Longer, Healthier Lives. But It's Going to Cost Us" by David Brown , in the *Washington Post*, 1/11/09:

"Over the next few months, this country will engage in the first serious national discussion on health care in 15 years. Most of the talk will be about ways to make medical insurance available to all U.S. citizens. There will be a fair amount, too, about the need to make the hodgepodge 'system' of American health care safer, better and more efficient. What we're unlikely to hear, though, is something like this:

'Arresting the growth of health care spending in the United States is impossible. The policies and programs we're suggesting will either accelerate the upward trend or slow it temporarily, but they won't stop it. Health care costs will go up year by year until you die, and probably until your children die, too.' "

"This difficult truth, which has emerged over the past half-century, is leading the United States and the rest

of the industrialized world into a new era of humankind. We are on a collision course between our wish to live longer, healthier lives and our capacity to pay for that wish. Whether we can somehow avoid the collision is perhaps the most important domestic issue of this century. From now on, health care costs will be up there with globalization, terrorism and climate change as a force shaping our world."

RWHC Blog: "The Rural Health Advocate"

Have you every wanted to speak back to this newsletter? Now you can–selected editorials and cartoons are now inviting your opposing and supporting comments at:

www.ruraladvocate.org/

Many thanks to John Eich at the Wisconsin Office of Rural Health for expanding our "social networking."

"Last year, 16 percent of the nation's gross domestic product went for health care, about $7,600 per person. In terms of human effort, health care is the new food. By 2016, when it reaches 20 percent of GDP, it will be the new shelter. If it grows at its present rate through the first three-quarters of this century, it will consume 38 percent of GDP by 2075. It will then be the new food *and* shelter."

"This isn't a mistake. If it were, we might have a chance of stopping it. It's success–the way things are supposed to be, and the way we want them to be. 'At the end of the day, when it comes to controlling health care costs, the enemy is us,' said Drew Altman, head of the Henry J. Kaiser Family Foundation. 'Americans want the latest and best in health care technology, and we want it down the street, and we want it now.' "

"Medicine lies at the intersection of two profound forces. One is the desire to survive, which motivates all living things. The other is the ability to make things, which distinguishes humans from other animals. Crowding that intersection are thousands of opportunities for avoiding or curing an illness, feeling better, living longer and being happier than our grandparents ever could have imagined. These opportunities take the form of implantable defibrillators, replacement knees, periodic colonoscopies, weight-loss surgery, life-long antidepressants, anti-retroviral medicines, breast tumor gene scans, biologically targeted chemotherapy, heart-lung transplants and prenatal tests for dozens of dread diseases."

"These are just a few of the fruits of our desire to survive and our capacity to create -- and there's lots, lots more right around the corner. All these things, of course, haven't come for free. Health care spending has grown faster than the economy, by an average of 2 to 3 percent a year, at least since the end of World War II. In the first five years of this decade, it averaged 6.9 percent a year."

"Medicare, the federal government's insurance program for the elderly and disabled, provides an especially dramatic snapshot of health care's growing claim on our wealth and labor. In 1970, Medicare was 0.7 percent of GDP–70 cents of every $100 the country produced. By 2005, it was 2.7 percent. Last year, it was 3.2 percent, according to the Medicare trustees' annual report. In 2082, the program is projected to be 10.8 percent of GDP. Over the past half-century, total federal income tax receipts have averaged 11 percent of GDP per year. So unless something changes, in about 75 years, Medicare alone will cost as much as the sum of all our federal income taxes."

"This kind of growth doesn't come just from jacked-up prices, a bureaucratic and inefficient delivery system or increasing numbers of sick and old people. Something else has to be going on to explain such steady, predictable, relentless growth."

"That something is innovation. Various health economists have estimated that somewhere between 40 and more than 65 percent of the growth in per capita health care spending since 1940 can be attributed to advances in medical care. Each year, there's more that can be done and more that's judged worth doing."

"And the effect has been profound. Consider heart disease, the leading cause of death in the United States. From 1980 to 2000, deaths from heart disease fell 40 percent. If the 1980 death rate from heart attacks had held in 2000, about 342,000 more Americans would have died in that year alone. A team of researchers recently calculated that 47 percent of those lives were saved by better medical care–involving such developments as clot-dissolving drugs, coronary stents and medicines to prevent congestive heart failure. About 44 percent were saved because people had reduced their risk factors–quit smoking, lowered their cholesterol and gotten their blood pressure under control, with many of those improvements also the effect of better drugs and medical care."

"Two years ago, another group of researchers, led by Harvard economist David Cutler, looked at the money spent on health care from 1960 to 2000 and asked the crucial question: What did it get us? Their answer: Plenty–but improvements are costing more all the time."

"Their study found that over those 40 years, the life expectancy of people of all ages had increased. Not surprisingly, investments in the health of children were more cost-effective than investments in 60-year-olds. What's more interesting is that extending life cost more as the 20th century progressed, even taking inflation into account. In the 1970s, it took $46,870 to add a year to the life expectancy of 65-year-olds. By the 1990s, it cost $145,000."

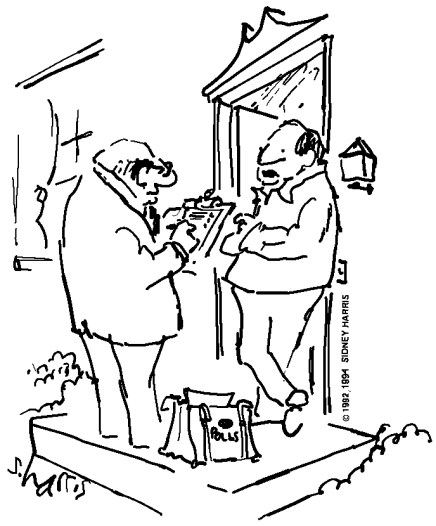
"As we become healthier, it takes more effort to extend our lives than it did in a time when we were less healthy (and dying prematurely). Fifty years ago, American medicine picked the low-hanging fruit of life-extension as clean water, vaccines, antibiotics, insulin and other cheap innovations became available to everyone. Now, we're going after the higher and more expensive stuff."

"Take implantable cardioverter defibrillators, or ICDs. These 'ambulances in the chest' shock hearts out of the fatal rhythms that are a major hazard for people who survive large heart attacks. Then Vice President Cheney has one wired into his heart."

"Three years ago, a team of researchers calculated that putting an ICD into a heart-attack survivor added one to three years to the person's life expectancy. The cost? Between $30,000 and $70,000 for every year of life gained. In the world of 'cost-effectiveness analysis,' that's judged to be worth it, the convention being that a treatment that buys an extra year of life for $50,000 or less is 'affordable.' "

"Medicare estimates that about 500,000 Americans now qualify for an ICD on medical grounds. Undreamed of when our parents and grandparents were having heart attacks, these devices are keeping or will keep thousands alive. So who's going to give one up in the interest of slowing the growth of health care spending? Not I. And I suspect not you, either."

RWHC Eye On Health



"I'll buy health reform if I can eat more, pay less and it's home delivered."

Rural Life Is a High Risk Enterprise

From "Rural–Urban Differences in Injury Hospitalizations in the U.S., 2004" by Jeffrey H. Coben, MD, Hope M. Tiesman, PhD, Robert M. Bossarte, PhD, Paul M. Furbee, MA in the *American Journal of Preventive Medicine*, 1/09:

Background–"Despite prior research demonstrating higher injury-mortality rates among rural populations, few studies have examined the differences in nonfatal injury risk between rural and urban populations. The objective of this study was to compare injury-hospitalization rates between rural and urban populations using population-based national estimates derived from patient-encounter data."

Results–"An estimated 1.9 million related hospitalizations were identified. Overall, the injury-hospitalization rates generally increased with increasing rurality; rates were 27% higher in large rural counties and 35% higher in small rural counties."

"While hospitalization rates for assaults were highest in large urban counties, the rates for unintentional injuries from motor vehicle traffic, falls, and poisonings were higher in rural populations. Rates for self-inflicted injuries from poisonings, cuttings, and firearms were higher in rural counties. The total estimated hospital charges for injuries were more than $50 billion. On a per-capita basis, hospital charges were also highest for rural populations."

Conclusions–"These findings highlight the substantial burden imposed by injury on the U.S. population and the significantly increased risk for those residing in rural locations. Prevention and intervention efforts

in rural areas should be expanded and should focus on risk factors unique to these populations."

Baby Boomers Reinvent the "R" Word

From a Book Review "Encore: Finding Work That Matters in the Second Half of Life" on LifeTwo at http://lifetwo.com/:

"Marc Freedman's *Encore: Finding Work That Matters in the Second Half of Life* is a detailed analysis about the meaningful work that members of the baby boomer generation are increasingly seeking after leaving their primary careers. Encore careers are a significant social trend that represent a new phase of an individual's work life. Historically, the author notes, the proverbial goal of aging was to secure freedom *from* work. Now the goal is to secure *meaningful* work—that is work that has a sense of purpose."

"Encore careers are not a retirement job, a transitional phase or a bridge between the end of real work and the beginning of real leisure. It's a new stage of our working lives created in part by our lengthening life spans."

"Author Marc Freedman is recognized as one of the nation's leading social entrepreneurs and his book has a number of interesting insights. Among them:

'Careers are getting shorter while lives are getting longer. Instead of wondering what one is going to do for the next few *years*, it's what will one do for the next few *decades*.' "

"Work is no longer considered bad for your health. Feedman cites a study of men and women born in 1920 and found that those who continued to work at the age of 70 and beyond were 2.5 times more likely to be alive at the age of 82 than those who had retired. While there is a big difference between causation and correlation, a 250% increase is simply too big to ignore. According to Dr. Yoram Maaravi of the Hadassah Hospital Mt. Scopus, 'If you put effort into finding work that is meaningful, you are gaining life.' "

"People who think they are retiring end up increasingly getting bored and then returning back to the work force. But this time they are doing something else entirely from the primary career that they had left. For these, their attempt at 'retirement' turns out to have been more like a sabbatical. The authors note that seven million Americans have done exactly this."

"In addition to benefiting the individual, encore careers benefit society as a whole. Instead of pulling resources out of the system, boomers continue to contribute to it. Businesses also continue to benefit from experienced workers who are particularly productive because they are doing things that they love instead of counting days to their earliest possible retirement."

"While some older workers will continue to work because of economic necessity, this doesn't mean they won't seek out jobs that provide new meaning. Freedman cites a particularly interesting Met-Life report that noted that the biggest reason for those aged 60-65 to return to work is to 'try something new.' A Merrill Lynch study noted that 'among boomers who expect to keep working, 2 out of 3 expect to change fields.' "

"*Encore* is an enjoyable read and would be a far more useful gift than a gold watch for someone nearing the end of their primary career." This is not your Grandfather's cooperative.

RWHC Eye On Health

"Have the baby boomers decided yet how they will most annoy us upon their departure?"

Five Telehealth Projects Approved for $46 million in Universal Service Funds (4/17/07): The Federal Communications Commission announced the approval of funding under its Rural Health Care Pilot Program for the build-out of five broadband telehealth networks that will link hospitals regionally in Iowa, Minnesota, Montana, Nebraska, North Dakota, South Carolina, South Dakota, Wisconsin (RWHC), and Wyoming. More at **www.fcc.gov/**

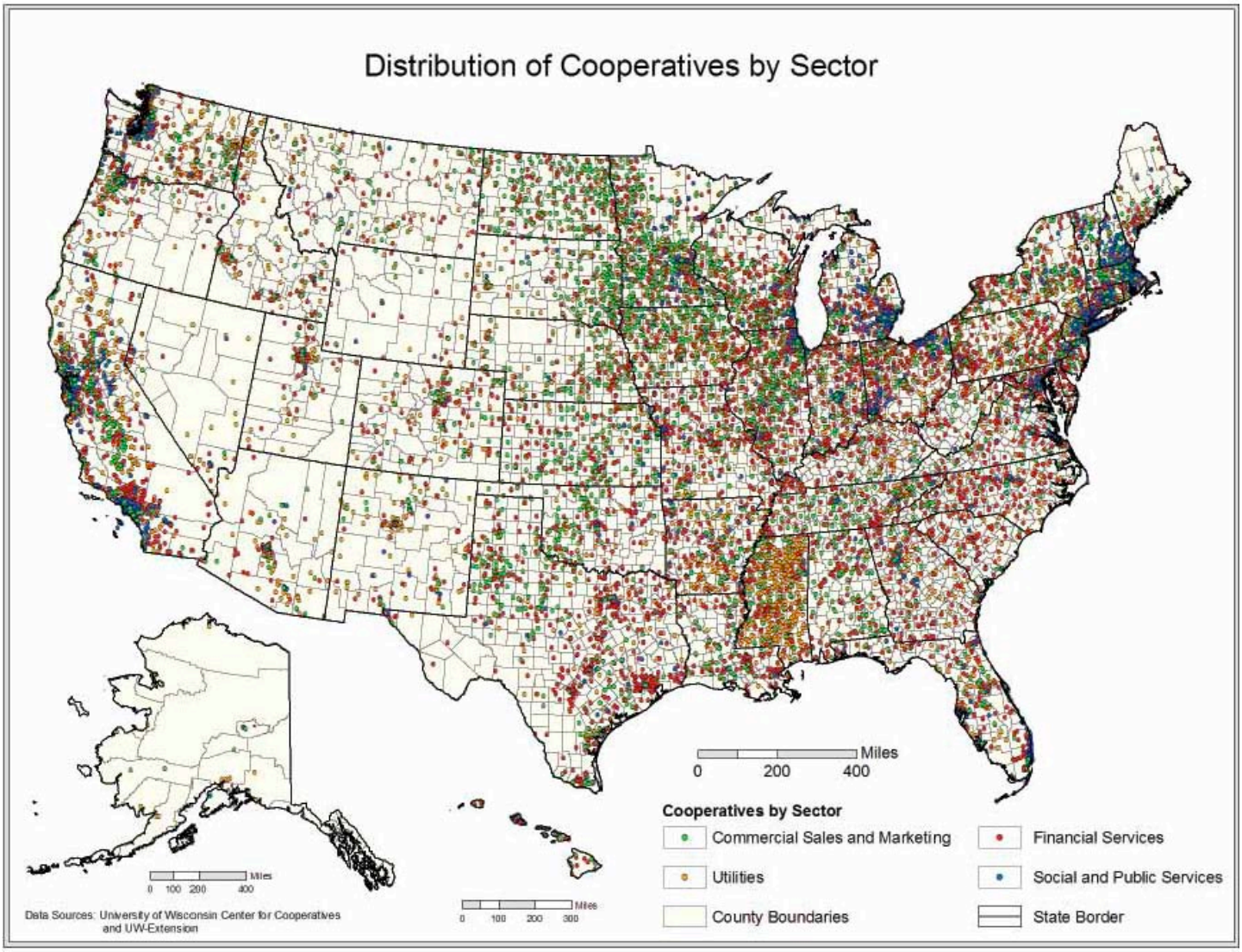
Cooperatives Are Major Economic Engine

From "Research on the Economic Impact of Cooperatives" by Steven Deller, Ann Hoyt, Brent Hueth and Reka Sundaram-Stukel at the University of Wisconsin Center for Cooperatives, 3/09; the complete report is available at **www.ncba.coop/** :

"The cooperative ownership model is used in a wide variety of contexts in the United States, ranging from the production and distribution of energy to delivery of home health care services for the elderly. Although cooperative businesses have been responsible for many market innovations and corrections of market imperfections, little is known about their impact as an economic sector. Until this project, no comprehensive set of national-level statistics had been compiled about U.S. cooperative businesses, their importance to the U.S. economy, or their impact on the lives and businesses of American citizens."

"This report describes and quantifies the magnitude of economic activity accounted for by U.S. cooperative businesses. It describes the legal and economic characteristics that were used to define cooperative firms; methods used to measure cooperative activity across all sectors of the US economy; and approaches developed to collect appropriate data. Finally, it provides a census of cooperatives, summarizes the extent of their activity by economic sector, and measures their impact on aggregate income and employment."

"The project was funded by the U.S. Department of Agriculture (USDA) with matching support from the National Cooperative Business Association and the State of Wisconsin's Department of Agriculture, Trade, and Consumer Protection. In-kind support was provided by the University of Wisconsin Center for



Cooperatives (UWCC) and the Departments of Agricultural and Applied Economics and Consumer Science at the University of Wisconsin–Madison."

Wisconsin Annual Rural Health Conference

June 17-19th at the Kalahari, Wisconsin Dells

Watch for Information & Registration at
www.wha.org/

"The above map visually displays the distribution of cooperative business activity across the United States, and across four aggregate economic sectors: Commercial Sales and Marketing, Social and Public Services, Financial Services, and Utilities. Nearly 30,000 U.S. cooperatives operate at 73,000 places of business throughout the U.S. These cooperatives own >$3T in assets, and generate >$500B in revenue and >$25B in wages. These and other data are used to estimate the indirect and induced impact of cooperative business activity. The study estimates that cooperatives account for nearly $654B in revenue, >2M jobs, $75B in wages and benefits paid, and a total of $133.5B in value-added income."

RWHC Statement of Core Values

The core values of an organization are those values we hold which form the foundation on which we perform work and conduct ourselves. We have an entire universe of values, but some of them are so primary, so important to us that throughout the changes in society, government, politics, and technology they are still the core values we will abide by.

In an ever-changing world, core values are constant. Core values are not descriptions of the work we do or the strategies we employ to accomplish our mission. The values underlie our work, how we interact with each other, and which strategies we employ to fulfill our mission. The core values are the basic elements of how we go about our work. They are the practices we use (or should be using) every day in everything we do.

The following are the Rural Wisconsin Health Cooperative's core values as we work with each other within RWHC, board and staff alike, as well as when we work with our external strategic partners and customers:

Trust–We rely on each other; mutual trust assumes the potential performance and visions not yet fully formed in written agreements. We assume positive intent first when things go wrong. We are honest and forthright in meeting our commitments.

Collaboration–Within an organization or network, people working together creates better value than competition; our relationships are based on mutual respect and a sense of shared purpose. We strive to be a national leader in rural health collaboration.

Creativity–Complex challenges benefit from the innovation that comes from new ideas or new links among existing ideas.

Excellence–We always strive to do high quality work; what we all do matters; others will receive from us high quality performance.

Joy-We seek joy in the work we do knowing it is supporting the healing mission of many.

Openness–Information is shared and affected parties are involved.

Personal Development–Our most important resource is each other and we do our best work when we continue to invest in life long learning and development.

Productivity–We maximize our achievement and we work to acquire the level of resources needed to do so.

Responsibility–Each of us has a clear understanding of what is expected of us; everyone's job is important to RWHC. Each of us has an individual obligation, not diminished by being part of a team, to perform at his or her highest possible level.

This statement of RWHC Core Values was based on a RWHC Senior Staff Team training session held with Fred Kusch on 2/10/09 and subsequent input by all RWHC staff and board members; the statement was adopted by the RWHC Board on April 3rd, 2009. The introductory paragraph is from the National Park Service website, (accessed 2-23-09) ***http://www.nps.gov/training/uc/whcv.html***

Raising Health, Wellness & Safety Awareness

We regularly showcase a RWHC member from the Wisconsin Hospital Associations' annual Community Benefits Report. Wisconsin hospitals provide over $1.6 billion in community benefits; twice that if you include Medicare shortfalls and bad debt. This month's story is from Black River Memorial Hospital:

"Over 450 people attended the Health, Wellness and Safety Fair at the National Guard Armory. The event, sponsored by Black River Memorial Hospital and Seniors Avoiding Falls and Emergencies (SAFE), featured speakers, exhibitors, screenings, educational materials, door prizes, a silent auction to raise funds for senior exercise programs and refreshments."

"Forty two exhibitors showcased their services, and screenings were offered for bone density, blood sugar, hearing, blood pressure, balance, oxygen, carbon monoxide, body composition, foot assessment, sleep apnea and total cholesterol. Certified child passenger safety technicians were also available to inspect children's car seats and provide safety information."

"Several students from the Black River Falls High School attended, including Sarah Halverson's Careers Class and Tina Gilbertson's Family Consumer Education Classes. The students had the opportunity to visit exhibits, attend presentations and interview exhibitors to get information on a wide variety of fields of study."

"The Health, Wellness and Safety Fair Planning Committee consisted of representatives from Black River Memorial Hospital, SAFE, Jackson County Department of Health and Human Services, Ho-Chunk Nation, Krohn Clinic, Jackson County Bank, Pine View Care Center, Family Heritage Care Center, Jackson County Interfaith Volunteer Caregivers, Curves and River Country Fitness."

rhcw.org
RURAL HEALTH CAREERS
WISCONSIN

"Rural Health Care: Innovations in Policy and Practice" While rural America has not been immune to major economic and societal trends, rural areas' responses to these challenges demonstrate that they are often ideal incubators for innovative policies and practices. Available at **www.gih.org/**

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