



William Petasnick, FACHE

2008 AHA Board of Trustees Chairman,

President & CEO, Froedtert & Community Health

**“Health for Life—An AHA Reform Perspective, or How to
Keep the Main Thing, the Main Thing”**

December 3, 2008



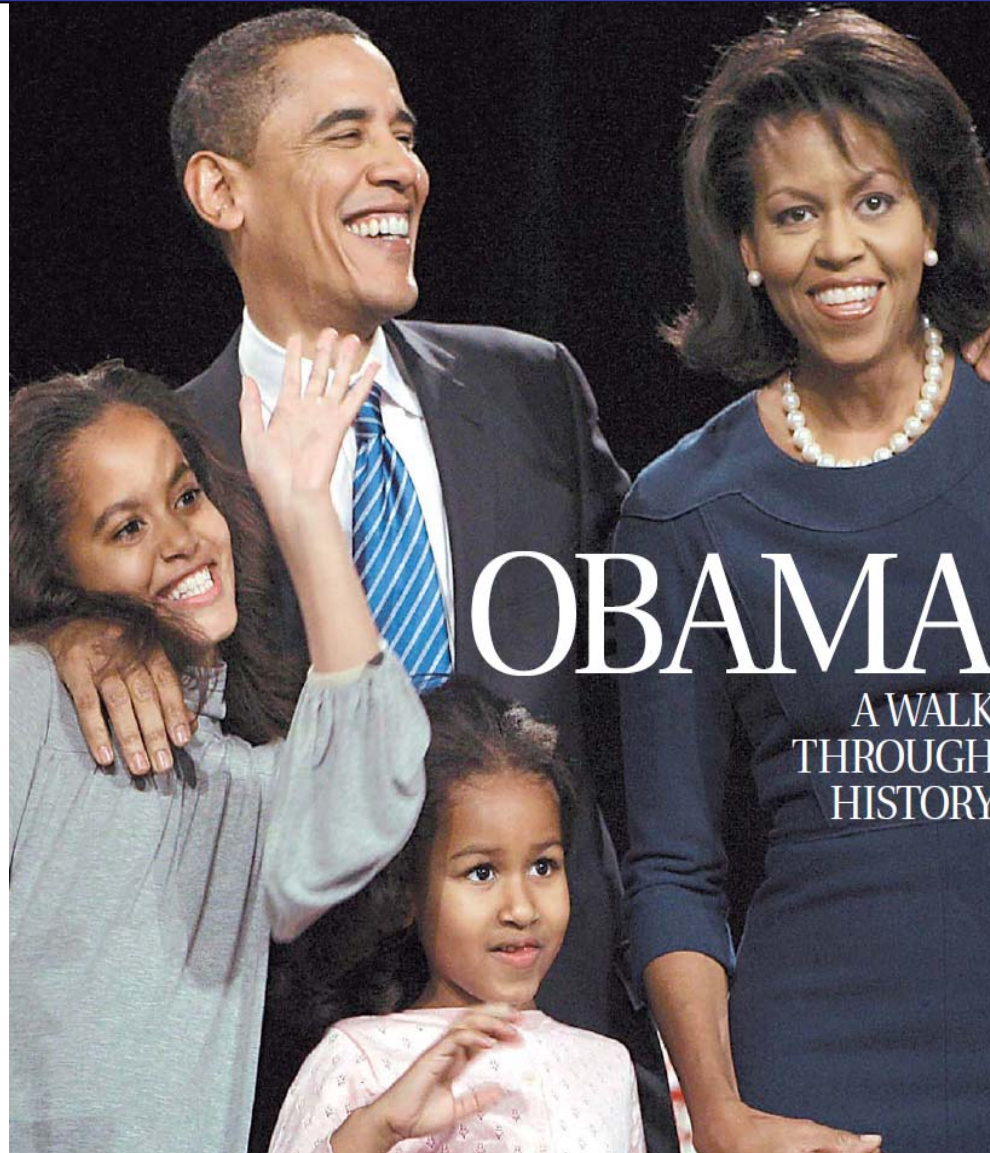
Overview

- Political environment
- Review current issues
- Prospects for health reform



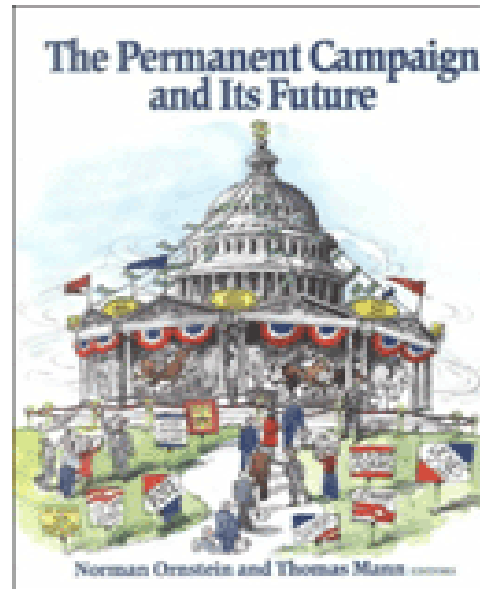
Change is coming in 2009

An Historic Election



A Key Question

- How will the Obama *political machine* be maintained...and applied to advocacy (grassroots)?



Impact on Labor Issues

- Card check
- Supervisor issue
- Manual lifting
- Staffing ratios
- Mandatory overtime





What will be the Impact of Economic Tsunami?



The Impact of the Economic Crisis Hospitals & Health Systems



American Hospital
Association

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NEWS RELEASE

NEW REPORT DETAILS IMPACT OF ECONOMIC DOWNTURN ON PATIENTS AND HOSPITALS

*Hospitals' role as health care safety net and major employer even more important
as economic stresses mount*

WASHINGTON (November 19, 2008) – With our nation's economic troubles, fewer patients are seeking hospital care while at the same time a growing proportion of patients need help paying for care, according to new report from the American Hospital Association (AHA). The report also noted that hospitals, which employ 5 million people nationwide, could be facing uncertain times as their financial health falters and ability to borrow funds for improving facilities and updating technology is squeezed.

The report is based on survey results from 736 hospitals and information from DATABANK, a web-based reporting system used in 30 states to track key hospital trends.

Many hospitals are beginning to see the effects of the economic downturn with more than 30 percent of survey respondents reporting a moderate to significant decline in patients seeking elective procedures, and nearly 40 percent of respondents reporting a drop in admissions overall. The majority of hospitals surveyed also noted an increase in the proportion of patients unable to pay for care. Uncompensated care was up 8 percent from July to September versus the same period last year, according to the report.

Fundamental Question

Two Theories of Governance

- **Option 1: move quickly on multiple fronts while political capital is high**

- **Risks:**

- **Harder to be bipartisan**
- **Could overreach**
- **Generate more opposition**
- **Failure more likely**



Fundamental Question

Two Theories of Governance

- **Option 2**: focus on immediate priorities and achieve quick victories to demonstrate competence and build trust
 - Economic recovery
 - Iraq and Afghanistan
 - SCHIP (bipartisan)
 - **Risks:**
 - ✓ Lose momentum
 - ✓ Alienate core supporters
 - ✓ Harder to connect related issues
 - ✓ May not be able to return to issue



Health Care Reform

Obama Plan and Emerging Consensus Coverage...Massachusetts Framework

- **“Pay or play” for employers with individual mandate**
- **Expand Medicaid and provide premium subsidies for low-income**
- **Expanded SCHIP coverage for children**
- **Tax credits for small employers to purchase coverage**
- **Federal reinsurance mechanism to cover catastrophic expenses in employer plans**
- **Create “National Exchange” that includes *new public program* for uninsured**
- **Regulating private insurance with guaranteed coverage and rates**

Beyond Coverage

- Focusing on wellness and prevention
- Promoting information technology
- Pay for performance
- Transparency and comparative effectiveness
- Disease management/care coordination
- Expanded stem cell research
- HIV/AIDS
- Biomedical research
- Medical liability reform

Details



Health Care Reform

- **Who's in charge?**
- **What will be the platform?**
- **What will the scope?**
- **How will it be paid for?**



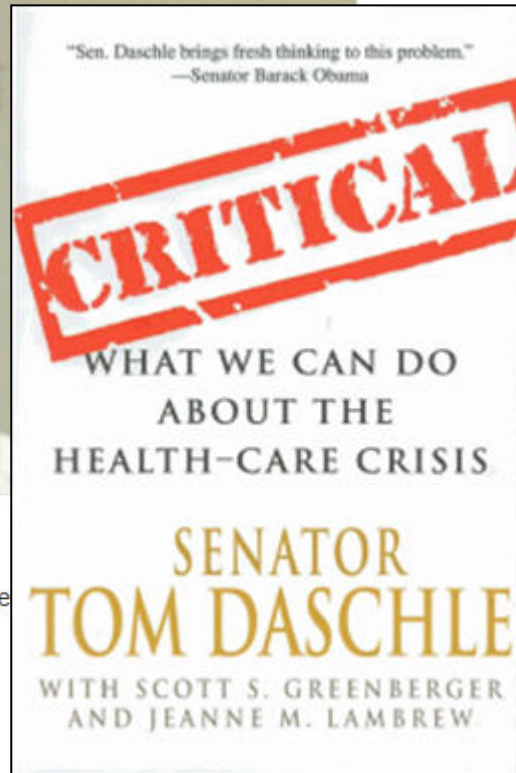
Who's going to be driving the bus?



JOSHUA ROBERTS/BLOOMBERG NEWS

Tom Daschle

Former Senate Majority Leader and early Obama backer, he reformed health care.



“Paying for health care reform needs to be done in an intellectually honest way for the fiscal health of our country.”



**Senator Charles Grassley (R-IA)
Ranking Minority Member
Committee on Finance
November 18, 2008**

Looking ahead....

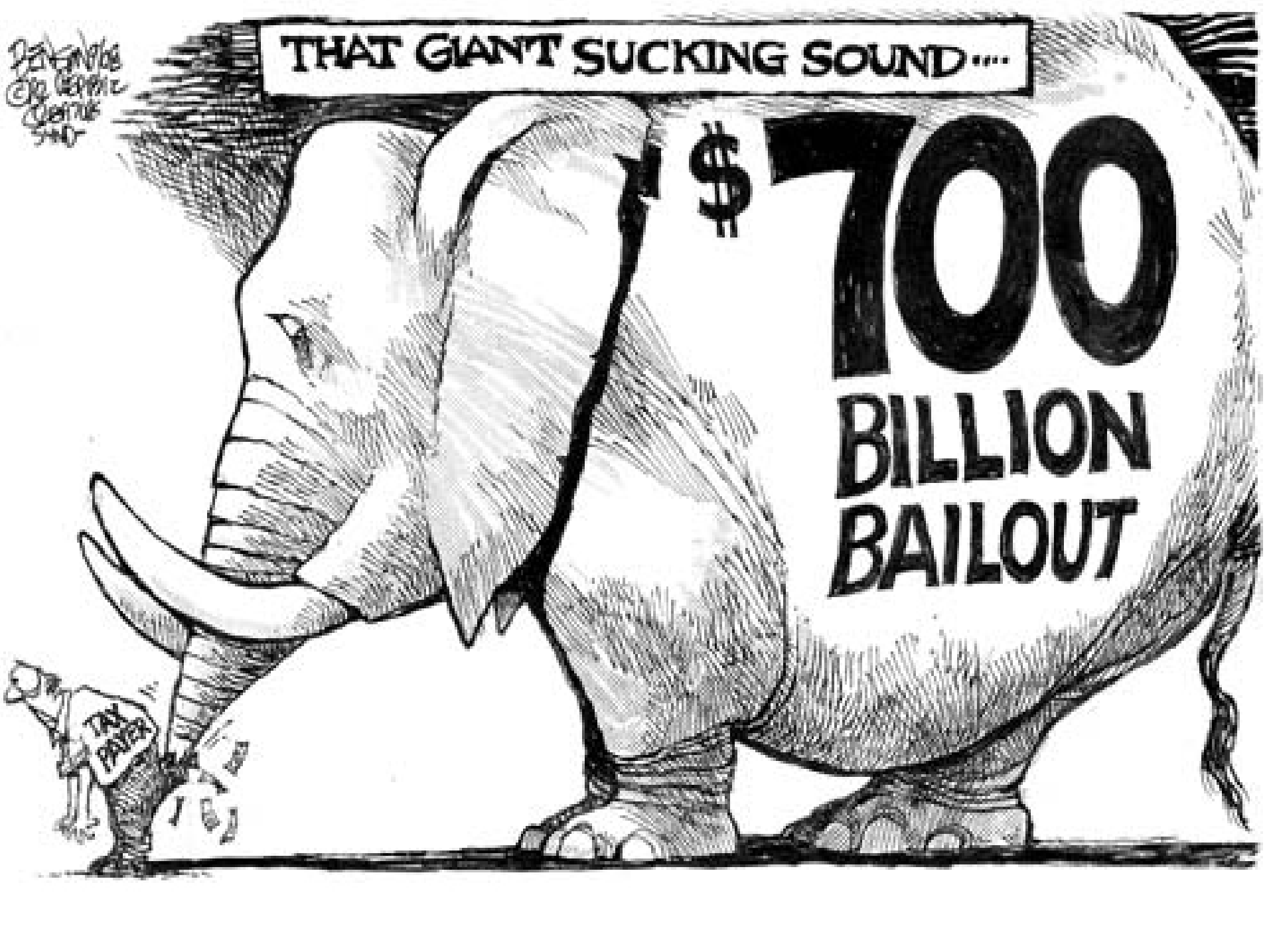
**“Prediction is very hard,
especially about the
future.”**



THAT GIANT SUCKING SOUND....

\$ 700
BILLION
BAILOUT

Don't let
the
big
banks
suck
you
dry



First Quarter 2009



Immediate Priorities



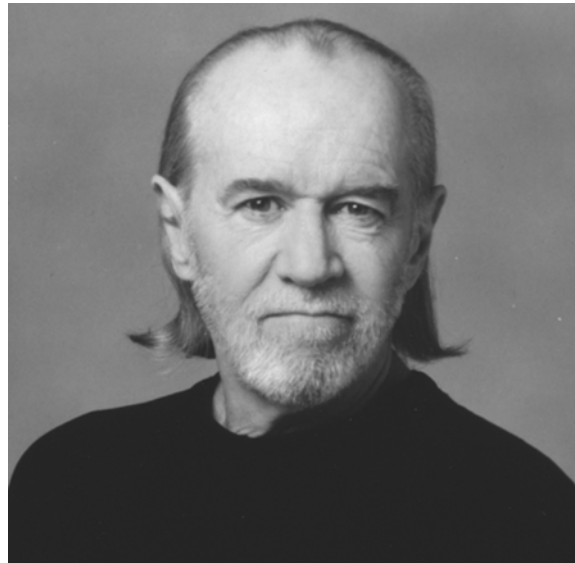
- **Economic Recovery Act**
- **Card check**
- **Finishing FY 2008 appropriations (March 6)**
- **Start FY 2009 budget process**
- **SCHIP reauthorization (March 31)**
- **Regular business**
 - **Expiring Medicaid moratoria (March 31)**

“Health for Life”

National Framework for Change



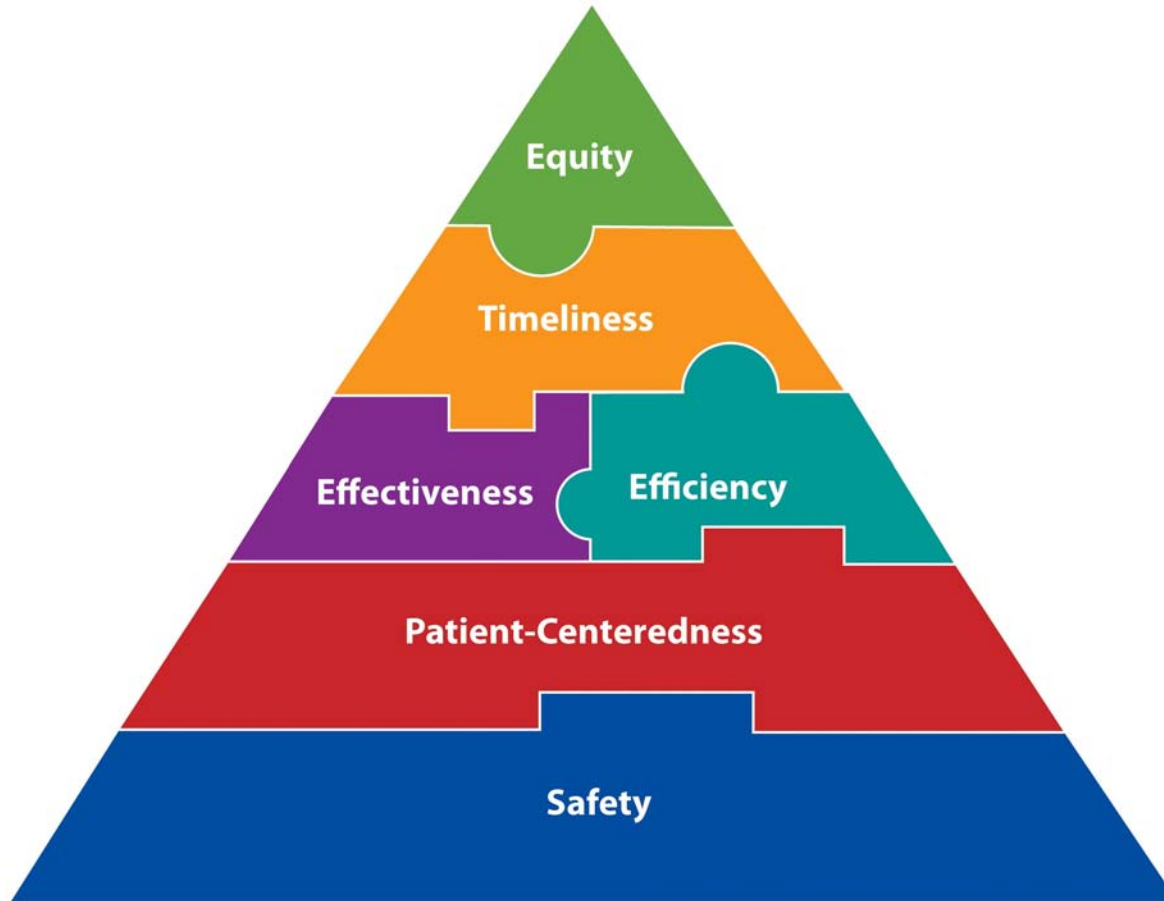
“I don’t believe there’s any problem in this country, no matter how tough it is, that Americans, when they roll up their sleeves, can’t completely ignore.”



Comedian George Carlin



Reform Starts at Home





Thank You