

Private Sector Environmental Scan

From

AAFP Private Sector Advocacy Staff

Trevor J. Stone

Laura C. Schmidt

www.aafp.org/privatesector

Date: January 29, 2009

Note, to comply with intellectual property laws, news stories below will be summarized and when appropriate, include a web link that may require either a paid subscription or free registration for access.

[AAFP NEWS NOW](#)

[Family Practice Management \(FPM\)](#)

CONSOLIDATION

- **Pennsylvania insurers IBC, Highmark withdraw merger plan**

Philadelphia Inquirer, January 22, 2009

“The petition for the proposed merger of Philadelphia's Independence Blue Cross and Pittsburgh's Highmark Inc., the state's two largest health insurers, was withdrawn by the companies. The decision by Independence and Highmark came in advance of what they knew would be an adverse ruling by the Pennsylvania Department of Insurance. The proposed merger would have created the state's largest health insurer and one of the largest in the nation.”

http://www.philly.com/inquirer/home_top_stories/20090122_Insurers_IBC_Highmark_withdraw_merger_plan.html

CONSUMER DIRECTED HEALTHCARE

- **Health insurer offers strip mall customer service**

Associated Press, January 26, 2009

“Columbia, S.C.-based BlueCross BlueShield of South Carolina has added a twist to its customer service by opening a strip-mall store to sell policies and answer questions. The insurer will peddle individual, group, and children's health insurance and offer wellness seminars at its SC BlueStore, which opened recently in Mount Pleasant.”

<http://www.google.com/hostednews/ap/article/ALeqM5i6U6P5o1zx7KSBm7PB62p6oFGdtwD95T2LT00>

E-HEALTH

- **OHIO MULTI-STAKEHOLDER COMMITTEE RECOMMENDS ADOPTION OF PATIENT ELIGIBILITY INFORMATION**

CAQH Press release, January 26, 2009

“The Ohio Advisory Committee on Eligibility and Real Time Claim Adjudication recommends adoption of the CAQH Committee on Operating

Rules for Information Exchange (CORE) rules in its January 2009 Report on Eligibility and Real Time Claim Adjudication (pursuant to HB125, section 7). The CORE rules are to be used for payer and provider exchanges of patient eligibility information.”

<http://www.caqh.org/PR200904.php>

- **EHR (Electronic Health Record)**
 - **CCHIT Proposes Expansion, Leaving Some Vendors Crying Foul**

HealthLeaders Media IT, January 27, 2009

“The Certification Commission for Health Information Technology has become the de facto stamp of approval for EHRs, helping providers judge EHR product suitability, quality, interoperability, and security. A vendor who meets the Commission's criteria can be certified, automatically proving to providers that their EHR is worth the money, say CCHIT proponents. Now, CCHIT is expanding its scope of certification, and not everyone is happy about CCHIT's increasing influence in the market.”

http://www.healthleadersmedia.com/content/227160/topic/WS_HL_M2_TEC/CCHIT-Proposes-Expansion-Leaving-Some-Vendors-Crying-Foul.html

HEALTH PLANS

- **Los Angeles judge issues restraining order against insurer**

AP/San Francisco Chronicle, January 27, 2009

“A judge issued a temporary restraining order against Anthem Blue Cross, barring the company from sending a notice to former customers offering them \$1,000 to drop all legal claims against the health insurer. The order stems from a class-action lawsuit filed by the Los Angeles city attorney against the health insurer for allegedly dropping coverage to people who file expensive medical claims. Anthem Blue Cross reached a settlement with the state Department of Managed Health Care last July that required the insurer to send out offers of new coverage to about 1,700 people who had their policies canceled. The company also offered former customers \$1,000 each if they drop all legal claims.”

<http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2009/01/26/state/n203335S22.DTL&hw=health+care&sn=005&sc=487>
- **Using Medicare Payment Policy to Transform the Health System: A Framework for Improving Performance**

Commonwealth Fund, January 27, 2009

“As the largest payer for health services in the United States, Medicare has the leverage and capacity to slow the growth of program costs, enhance the value of care it purchases, and serve as a model for broader health system

change by offering an array of payment approaches to encourage more coordinated care.”

http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=801556

- **Former Coventry CEO to reassume position**

Business Insurance, January 27, 2009

“Coventry Health Care Inc. Chief Executive Officer Dale B. Wolf has resigned from the Bethesda, Md.-based managed care company effective Friday and will be replaced by former CEO Allen Wise. Mr. Wise retired in 2004 and has been serving as executive chairman of Coventry's board of directors since year-end 2008.”

<http://www.businessinsurance.com/cgi-bin/news.pl?newsId=15161>

- **WellPoint Net Drops as Revenue Slips**

AP/Yahoo, January 28, 2009

“WellPoint Inc.'s fourth-quarter net income dropped 61% amid investment losses as medical costs continued to climb and enrollment levels felt the impact of rising unemployment.”

http://online.wsj.com/article/SB123307264327919865.html?mod=yahoo_hs&ru=yahoo

MEDICAL HOME

- **Want to Teach Docs New Tricks? Get 'em While They're Young**

HealthLeaders Media, January 21, 2009

“The way medical care is delivered has to change quickly to adapt both to a shortage of physicians and an aging and chronically sicker demographic. This is particularly true in rural America”

http://www.healthleadersmedia.com/content/226837/topic/WS_HLM2_CO M/Want-to-Teach-Docs-New-Tricks-Get-em-While-Theyre-Young.html

NATIONAL SCENE

- **CEO of insurance regulators group to be based in Washington**

The Kansas City Star, January 21, 2009

“The National Association of Insurance Commissioners has named a new chief executive who, in a departure from past practice, will be based in Washington, rather than Kansas City.

Former Iowa insurance commissioner Therese M. Vaughan was appointed last week to run the NAIC, a voluntary association of the chief insurance regulators of all 50 states, the District of Columbia and five U.S. territories. The organization, founded in 1871, is the nation's oldest association of state officials...”

No link available.

- **Relief seen for jobless and states in healthcare plan**
 New York Times, January 28, 2009
 “For Democrats, the stimulus bill working its way through Congress is a tool for rewriting the social contract with the poor, the uninsured, and the unemployed, in ways they have long yearned to do. With little notice and no public hearings, House Democrats would create a temporary new entitlement allowing workers getting unemployment checks to qualify for Medicaid. Spouses and children could also receive benefits, no matter how much money the family had. In addition, the stimulus package would offer a subsidy to help laid-off workers retain the same health plans they had from their former employers.”
http://www.nytimes.com/2009/01/28/us/28health.html?_r=2&hp

- **Employees To Pay Increased Health Insurance Premiums, Deductibles In 2009**
 Washington Post, January 25, 2009
 “An increased number of employees in 2009 will pay more for health insurance -- and receive less coverage in some cases -- as employers "grapple with the financial fallout of rising medical expenses and diminished revenue and profits" during the current economic recession, the Washington Post reports.”
http://www.washingtonpost.com/wp-dyn/content/article/2009/01/24/AR2009012400181.html?wprss=rss_health

Reminder: Chapter Executives

AAFP-AAFP chapter Private Sector Advocacy call schedule, 1-888-271-3491, press “3”

February 19, 2009	1:00 P.M. to 2:00 P.M. Central time
March 19, 2009	1:00 P.M. to 2:00 P.M. Central time
April 16, 2009	1:00 P.M. to 2:00 P.M. Central time
May 21, 2009	1:00 P.M. to 2:00 P.M. Central time
June 18, 2009	1:00 P.M. to 2:00 P.M. Central time
July 16, 2009	1:00 P.M. to 2:00 P.M. Central time
August 20, 2009	1:00 P.M. to 2:00 P.M. Central time