

Three Minute Read™

Insights from the Healing American Healthcare Coalition™

March 2020

Message from the Editor: Thank you for joining the Healing American Healthcare Coalition and welcome to the first issue of Three Minute Read™. The TMR™ monthly review of important news, information and data germane to healthcare reform is designed to bring you short, succinct summaries of key articles and op-eds on health policy issues that affect you. The COVID-19 pandemic is the front burner issue this month and the subject of the first two TMR™ Topline summaries. The pandemic has exposed the weaknesses of America's healthcare delivery system for all the world to see. The other three summaries highlight some of those concerns. To read the full text of the articles, just click on the headline.

As global leaders struggle to contain the pandemic, TMR™ believes the clamor for universal healthcare will be a longer-term issue and a major focus in the upcoming election. We believe the most practical healthcare reform route for America is an employment-based approach that retains competition and choice, not a government takeover of healthcare and elimination of employer-provided health insurance. We hope this monthly TMR™ bulletin will help you to better understand the alternatives.

[Fourteen Days. That's the Most Time We Have to Defeat Coronavirus.](#)

By Ezekiel J. Emanuel, MD, vice provost of global initiatives at the University of Pennsylvania. The New York Times Opinions March 24, 2020

**2 weeks
(14 days)
(336 hours)**

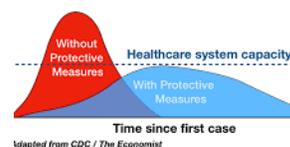
TMR Topline™ - The US must act within the next two weeks to flatten the curve of the COVID-19 pandemic to avoid the dire projections of the Imperial College London model – that up to 2.2 million Americans could die within the next year. While concerned about the economic impact, Dr.

Emanuel believes the US economy cannot be restarted without first getting the pandemic under control. To do so, he prescribes five priorities for immediate action.

1. Order all schools and non-essential businesses closed along with a shelter-in-place policy.
2. Accelerate production of test kits and related supplies and remove COVID-19 testing from hospitals and clinics to let them focus on treatment.
3. Appoint a national manufacturing director for the pandemic to assess, allocate and to ramp up production of equipment and disposable supplies.
4. Order hospitals to ban visitors and suspend elective surgeries. Encourage physicians, nurses and other clinicians who are seeing fewer patients because of practice restrictions to work in hospitals. Also, recruit retired and non-practicing physicians, nurses and respiratory therapists to help manage the demand for inpatient coverage.
5. Support small businesses with grants for up to a year to help retain workers and resume operations when the virus is under control.

To win this war, the US needs to mobilize faster than ever before. Otherwise, Dr. Emanuel warns that it will follow Italy's course and recovery may take a decade or more.

[How South Korea Flattened the Curve,](#) NY Times, 3/24/20



TMR Topline™ - The first COVID-19 cases in America and South Korea were confirmed on January 21. However, South Korea's highest daily new cases occurred on 2/29 (909) and by 3/22 had dropped to 64. How

did this country of 50 million succeed in quickly flattening the curve? This article describes the key steps taken to attack the crisis:

1. Intervene fast, before it's a crisis.
2. Test early, often and safely.
3. Implement contact tracing, isolation and surveillance.
4. Enlist the public's help.

TMR's Take - Can their success be replicated in the US? Not exactly. Our diverse population, privacy rules and lack of universal healthcare are barriers. South Korea's single payer system covers at most about 60% of medical bills so nearly 80% of the population also have private insurance.

Improving the prognosis of health care in the

USA Alison P Galvani, Alyssa S Parpia, Eric M Foster, Burton H Singer, Meagan C Fitzpatrick, The Yale School of Public Health. The Lancet 2/15/20



TMR Topline™ - The study's authors estimate that Medicare-for-All could save \$450 billion annually with \$188 billion coming from reduced payments to hospitals and physicians. The reduced income for physicians would be offset by eliminating bad debt and reducing bureaucracy since all would be covered, including 40 million Americans who are currently uninsured or underinsured.

TMR's Take – The Yale study has material shortcomings. For one, it fails to estimate the financial impact on physician practices of a.) the tradeoffs of reducing bad debt and bureaucracy b.) eliminating private insurance and Medicaid and c.) caring for 40 million more patients seeking medical care. Flawed as it may be, the study was quoted repeatedly by Senator Sanders to justify his Medicare-for-All proposal in speeches and debates during the Presidential primary season.

COVID – 19 Could Mean \$251B Spike in Health Costs, California Says

By Adam Ligett for Law360.com

TMR Topline™ - In the first study of its kind, Covered California, the state's healthcare marketplace, projects that the COVID-19 pandemic could increase healthcare costs in the national commercial insurance market by as much



as \$251 billion over the next 12 months. Many of the 170 million Americans who secure coverage in the private insurance market may not get the care they need. Absent Federal intervention individuals and businesses will likely see increased premiums and reduced benefits. They recommend Federal intervention to provide monetary support for people below the poverty line and a program to limit costs for self-insured companies and insurers. Covered California has opened a special pandemic enrollment period through the end of June for California's uninsured population.

Major Insurers Pledge \$55 Million to Try to Lower Generic Drug Prices

By Katie Thomas for the New York Times, 1/23/20



TMR Topline™ - The Blue Cross Blue Shield Association and 18 of its members have agreed to invest \$55 million to develop less expensive versions of high-priced generic drugs that have limited competition. The participating organizations insure over 40 million Americans. Drug prices have continued to climb and are the fastest growing cost segment of US health care at \$429 billion. Absent of competitive pressure or federal regulation, drug costs are likely to continue to climb. The Blues will partner with Civica Rx, a nonprofit that currently sells generic drugs to hospitals and health systems, and plan to start with 7 to 10 drugs that they hope to bring to market in 2022.

TMR's Take - Civica was created in 2018 by a group of charitable foundations and hospital systems to address the many shortages of essential drugs that hospitals were experiencing. Civica's first sales of 18 drugs occurred last fall.

