

# Three Minute Read™

Insights from the Healing American Healthcare Coalition™

January 2021-2



**From the Editor:** With American deaths from COVID-19 exceeding 9/11 on a daily basis, **TMR's** first article summary includes the European country that protected its residents best in 2020. Other articles highlight the challenges inherent in a fragmented payer marketplace and a look at life after vaccinations. To access each article, just click on the headline.



[Crisis Showcases Corner of Europe Derided by Trump Advisers](#), by Niclas Rolander and Ott Umelas,

Bloomberg Business Week, 1/11/21

**TMR Topline™** - In its 2018 report *"The Opportunity Costs of Socialism,"* President Trump's advisers trashed the Nordic economic model saying it reduced living standards. One year into the worst global pandemic in more than a century, The World Economic Forum credits the region's societal model as *"the most promising"* in charting a sustainable path out of the crisis. Bloomberg Economics Johanna Jeansson points out that these small export-oriented nations had certain advantages including *"deep public coffers, a tight social security net, and a larger reliance on sectors that have been able to work from home and sell online."* With low levels of debt as a percent of GDP (Denmark and Sweden – 40%; Finland – 70%; EU average – 90%), the countries have more leeway to spend their way out of the coronavirus recession. HSBC Economist James Pomeroy said: *"If you have a very digitally savvy population, that sets you up very well going forward in terms of productivity."*

**TMR's Take** – TMR's 1/7/21 podcast, ["COVID-19 2020 – which countries protected their residents best?"](#) reviews results for the 37 OECD member nations and others, highlights former CDC Director Dr. Tom Frieden's selections for best in various categories and adds **TMR's** choice for best in Europe: **Norway**, with a year-end fatality rate of 8.12/100,000, fifth in the OECD.

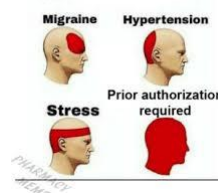


[Why Jeff Bezos, Warren Buffett, and Jamie Dimon gave up on their venture to disrupt](#)

[US healthcare](#), by Annalisa Merelli, Quartz, 1/6/20

**TMR Topline™** - Three years ago the media were speculating that the combined might of Amazon, Berkshire-Hathaway and JPMorgan Chase would disrupt the US's muddle of a medical system. The companies employ a combined 1.2 million people spread around the country. Surgeon and author (The Checklist Manifesto) Dr. Atul Gawande's installation as CEO would guarantee the success of not-for-profit Haven. So why did Haven fail? Among the reasons detailed in the article: Haven had a mission, but never quite a strategy. Its goal, *"create simpler, high-quality healthcare at lower costs,"* was a vision with no business plan. Another problem was the divergence of interests among the three companies. Jeff Becker, an analyst at Forrester said, *"Haven is yet another cautionary tale to outsiders that hope to disrupt the industry that their ambition is likely unrealistic and that solving key industry problems proves to be far more difficult than most anticipate."* Healthcare's complicated.

## Types of Headaches



[Not enough time, not enough clarity: Payers push back on CMS prior authorization rule](#), by Rebecca Fifer, HEALTHCARE LIVE, 1/6/21

**TMR Topline™** - First proposed in mid-December, HHS's attempt to streamline the prior authorization process is meeting fierce resistance from payers. It's part of the Trump administration's push to improve the electronic exchange of health data between payers, providers and patients, and builds off the massive interoperability regulations finalized in March. If finalized, the rule would require payers to build and maintain standardized application programming interfaces (APIs), technology that allows different computer systems to send and receive information, for payer-to-provider and payer-to-patient sharing of health data, including prior authorization data. America's Health Insurance Plans (AHIP) contends that it is "*distracting from the crucial fight against the pandemic as we enter a key phase in defeating COVID-19.*" The proposed rule excludes Medicare Advantage plans.



[Lavish bonus? Luxury trip? Health benefits brokers will have to disclose what they receive from the](#)

[insurance industry](#) , by Marshall Allen, ProPublica, 1/6/21

**TMR Topline™** - Buried in the coronavirus relief package is a requirement that health benefit brokers disclose to employers how much they make from insurance carriers. [ProPublica showed in 2019](#) how the insurance industry influences the consultants behind the scenes with cash and gifts—from six-figure bonuses to swanky island getaways. A broker's base commission can range from 3-6% of the total premiums. Employer sponsored health plans cover about 150 million Americans. Michael Thompson, president of the National Alliance of Healthcare Purchaser Coalitions, which represents employers, called the new disclosure requirements an encouraging "*step in the right direction.*"

**TMR's Take** – Haven's failure to gain traction despite a base of 1.2 million employees results from the absurd complexity of America's fragmented healthcare system. It was unable to develop the critical mass needed to gain economies of scale. **TMR** supports HHS's attempt to streamline payers use of prior authorizations and would go even further, eliminating the procedure altogether. Countries with universal healthcare rely on post-treatment review to identify abuses. Payers continued use of this tactic to delay, defer and deny care second-guesses medical judgment and adds cost with little or no benefit.

Likewise, the need for employers to use brokers contributes to the U.S.'s high healthcare costs.



[Once you and your friends are vaccinated, can you quit social distancing?](#), by Sigal Samuel, VOX, 1/12/21

**TMR Topline™** If you think that eliminating the Covid-19 pandemic is as simple as get the shot then get rid of the virus, Eleanor Murray, a Boston University epidemiologist disagrees: "*Realistically, it's definitely not going to be an on/off switch on normal.*" The best way to set realistic expectations around what life will look like in 2021 is to think of it in three stages. Stage 1 is what you can safely do once you and your close friends and family are vaccinated. Stage 2 is what you can safely do once your city or state has reached [herd immunity](#), Stage 3 is what you can do once herd immunity is reached internationally.

**Stage 1:** You and your close friends or family are vaccinated. Can you all rent a cabin in the woods and spend a weekend together, without masks or social distancing? Realistically, not until at least a week after all have received the second shot. The risk would be relatively low, provided no one has underlying conditions and doesn't live with vulnerable unvaccinated people who need to be protected from infection. But no bar-hopping!

**Stage 2:** Your city or state has reached herd immunity. Dr. Fauci says that Americans should continue with masking and social distancing until [75 to 85 percent](#) of the population is vaccinated, which is not likely to happen until mid-Fall. It's likely that regions within the US will pass the immunity threshold at different times, so mask wearing will need to continue. When it comes to the coronavirus, nobody is truly safe until everybody is safe.

**Stage 3:** Herd immunity is reached internationally, not likely to be reached until 2022 or later given the unequal access to vaccines around the world. According to Dr. Murray, "*It's really going to come down to what we learn over the next few months about how well the vaccine prevents infection and transmission.*"

**TMR's Take** –Reaching herd immunity will not happen all at once; that African safari you may have been planning will have to wait a while. However, if Americans step up and get vaccinated, 2021's Thanksgiving and Christmas holidays are likely to be much closer to normal.