Making a business case for health reform

by The St. Louis Post-Dispatch

And now for something completely different: a few kind words about Wal-Mart.

Say what you will about it â€” in the past, we and other critics have said plenty. But the world's largest corporation is on the side of the angels for at least one crucial issue: health care reform.

It has stepped up its Washington lobbying and pledged to use its considerable resources to push for changes that would improve the quality of care for many Americans.

Wal-Mart recently announced plans to sell low-cost computers and software to small medical practices. That's a crucial step to reduce errors and improve quality, but high costs have prevented many independent doctors' offices from adopting electronic medical records.

Wal-Mart also has quietly begun offering employees a wider array of health plans so that more than half of its employees now are covered, well above the retail industry average. That's a big switch for a company that was under fire just three years ago for referring workers to publicly funded health programs, such as Medicaid.

In pushing for reform, Wal-Mart is taking a position alongside unions and liberal advocacy groups. It isn't the only unlikely advocate.

Karen Ignagni of America's Health Insurance Plans, an industry trade group that strongly opposed the Clinton health reforms, attended a recent White House health reform summit. She was joined by Chip Kahn, a former insurance industry lobbyist responsible for the iconic "Harry and Louise" ads the helped doom the Clinton proposal.

What's brought them all to the table this time is the realization that, for all its high-tech achievements, the U.S. health care system is faltering. As small-business advocate John Arensmeyer noted at the summit meeting: "The status quo is worse than virtually any of the proposals we see out there."

A new study by the Business Roundtable, which represents CEOs of major companies, says that the American health care system has become a major stumbling block for our nation's international competitiveness.

That study was the first to measure not just health spending, but also what the authors called "performance" â€” what we get for the money. It found that the United States significantly lags on measures of workforce health and quality care.

Spending more and getting less diverts resources that could be spent on new products, facilities and services â€” or used to hire more workers. That makes it more difficult for American companies to compete.

If the global economic competition were a 100-yard dash, the report estimates that other developed nations would have a 23-yard head start. Less developed countries would be getting a 46-yard jump.

Higher U.S. health spending also has resulted in fast-growing health insurance premiums, which have cost growing numbers of workers their insurance coverage.

About 9 million more Americans â€” and about 6 million more workers â€” were uninsured in 2007 than in 1994. The economic meltdown that has occurred since means the true number of uninsured today probably is millions higher.

The cost of caring for them when they get sick is shifted onto those of us with private insurance, which further raises premiums and financially strains the health care system.

Real health care reform means covering the uninsured. But it also means improving the quality of care that Americans receive.

That won't be easy to achieve. Strategies like linking payments to system performance and rewarding innovations that improve care can help.

Businesses big and small deserve credit for recognizing that. But when it comes to health care, business as usual won't work any more.

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