Potential Impact of the Health-Care Plan for President-Elect Barack Obama to Employers and their Employees

Sreedhar Potarazu M.D, M.B.A.

The proposed healthcare plan for President–elect Barack Obama bears significant impact to corporate America, and its workforce. The economic flow of dollars in the health-care system begins with the employer and its employees. A greater financial burden will likely be placed on all employers to continue to participate in funding the proposed mandate for all individuals to be covered by health insurance. Without a detailed understanding of the fundamental metrics that comprise healthcare – cost, utilization and risk, and its ultimate impact on the productivity of the American work force, any plan will likely fail. The only means by which complete transparency is established whereby all of the proposed changes below can, in fact, be affective, require an efficient technology platform that provides the necessary visibility for change to occur.

With the election behind us, and a new era that has emerged, it is imperative that corporations across the country and their workforce, rise to the occasion to meet the new demands which will be eminent.

Below I have listed the key issues that have been proposed as part of the Obama Healthcare Plan, and what we, together, need to address immediately to ensure that we are prepared. It's time to "***Get Off The Dime***."

Expanding Access to Coverage

Obama Plan	Key Catalysts for Success
Would require all children, but not adults, to have health insurance.	The ability to expand coverage for children necessitates an understanding of childhood risk for illness and impact to total healthcare costs and productivity for working parents.
Would require employers to offer health benefits or to pay into a national insurance fund.	A mandate for employers to offer health benefits or national insurance fund necessitates a far deeper understanding for how the health risk of their workforce will impact their financial risk and corporate productivity/performance.
Would expand Medicaid and the State Children's Health Insurance Program.	The ability to expand coverage for children necessitates an understanding of childhood risk for illness and impact to total healthcare costs and productivity for working parents.

Would create a national health insurance exchange through which individuals and small companies could buy coverage from approved private insurance plans or a new government insurance option.	A national health insurance exchange would require a broad information technology platform that would enable individuals and small companies greater transparency into cost, utilization and risk.
Would provide people who are currently uninsured an unspecified tax credit to help buy insurance.	Tax credits for the un-insured can only be estimated when an adequate risk-assessment of the uninsured pool is quantified in order to forecast what future consumption of resources will be, and how many dollars should be allocated to meet the need.

Coverage for People with Existing Illnesses

Would require "guaranteed issue", prohibiting insurance companies from denying coverage or charging higher premiums to people who are sick.	Adequately establishing coverage through "guaranteed issue" requires both employers and insurance companies to understand far greater detail in terms of cost, utilization and risk, as well as **total cost of people with illness and not total cost of illness.**

Controlling costs

Would aim to improve prevention and management of chronic diseases.	Prevention and management of chronic disease can only be better managed when employers and employees are better empowered to understand where resources should be allocated, how success is defined, and how performance of their vendors is measured.
Would devote $50 million to promote health information technology such as electronic medical records.	Investment in health information technology must begin from where the dollar flows by empowering employers and

	employees with greater access to purchasing metrics through technology that helps to drive efficiencies through insurance companies and other parts of the healthcare system.
Would promote the use of generic drugs, instead of more expensive brand-name ones.	Promoting generic drugs requires more detailed analysis of the overall impact to health and productivity and purchasers and deliverers of healthcare need to be more cognizant of the impact of drugs and overall health management.
Would reduce payments to private Medicare health plans.	Simply reducing payments to private Medicare health plans without understanding the impact of future costs of the elderly, could have detrimental affects in terms of the burden of long-term care and how it will be absorbed by the system.

Improving Quality

Would support research into medical effectiveness and promotion of the best practices.	Search for improving best practices is important, but the right economic incentives must be implemented for these practices to become pervasive.
Would foster more reporting of quality and price data.	Reporting of quality and price-data can only be addressed when there is a pervasive technology platform that enables a consistent and uniform distribution of data across the healthcare supply chain.
Would address health disparities for different racial and ethnic groups.	Disparities in health amongst racial and ethnic groups, and its impact to society, can only be understood through more detailed analysis of health risk outcomes and prediction of future costs, and its ultimate impact on a productive workforce.