

National Insurance Exchange Proposed by Panel

BY MARY ELLEN SCHNEIDER

A national health insurance exchange that would allow individuals to choose among private plans or a new nationwide public plan is the cornerstone of an expert panel's proposal to cover nearly all Americans within 2 years and slow the growth of health care spending by nearly \$3 trillion over the next decade.

The health reform proposal is similar to plans outlined by President Barack Obama and Senate Finance Chairman Max Baucus (D-Mont.). It was developed by the Commonwealth Fund's Commis-

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sion on a High Performance Health System, a 19-member panel formed in April 2005 to study possible changes to the delivery and financing of health care.

The difference between the Commonwealth Fund's plan and other policy proposals under consideration is that it provides the details on how to implement these broad policies, as well as the financial and clinical consequences of the policies, said Karen Davis, president of the Commonwealth Fund.

Under the proposal, individuals could choose to keep their own coverage or obtain coverage through the insurance exchange. The public plan would initially be available to those seeking insurance on the individual market and those working for small employers, but by 2014 it would be available to the entire under-65 population, including those working for large employers. The public plan would offer benefits similar to the standard option available to federal employees and members of Congress, but at premiums about 20% lower than those of private plans.

Private plans would be required to guarantee the issue and renewal of policies regardless of health status, and to provide community-rate premiums, said Cathy Schoen, lead author of the report and senior vice president of the Commonwealth Fund. "With middle- and low-income families at risk, and businesses struggling to provide insurance for their employees, there is broad public support for significant reforms," Ms. Schoen said at a press briefing to release the report.

The Commonwealth Fund proposal would impose an individual insurance mandate, but would cap premiums at 5% of income for low-income individuals and 10% for those in higher-income tax brackets. It would also require employers to either offer coverage or contribute about 7% of payroll into a coverage trust fund.

The Commonwealth Fund proposal endorses moving away from the fee-for-service system currently in use for

Medicare and Medicaid and replacing it with a number of reforms, including bundling payments for acute care episodes, increasing payment for primary care, and adding payments for providing a patient-centered medical home.

Under the proposal, all payment reforms would apply to Medicare, Medicaid, and the new public health plan. The proposal would also raise Medicaid rates to Medicare levels and invest in health in-

formation technology, population health, and comparative effectiveness research.

The proposal would not lower current costs but could slow the rate of health care spending, according to the Commonwealth Fund. Instead of health care spending rising 6.7% each year over the next 11 years, as predicted by current trends, the increase in spending would slow to about 5.5% per year if the reforms were implemented in 2010. The

combination of the proposed insurance and payment system reforms could slow spending by nearly \$3 trillion by 2020.

Costs incurred by the federal government would climb sharply during the first years of implementing these changes, but could be largely recouped by 2020, according to the report.

Under the proposal, the number of uninsured would drop from about 48 million to about 4 million by 2012. ■



Mealtime therapy matters inside the body.

Humalog (insulin lispro injection [rDNA origin]) is for use in patients with diabetes mellitus for the control of hyperglycemia. Humalog should be used with longer-acting insulin, except when used in combination with sulfonylureas in patients with type 2 diabetes.

Important Safety Information

Humalog differs from regular human insulin by its rapid onset of action as well as a shorter duration of action. Therefore, when used as a mealtime insulin, Humalog should be given within 15 minutes before or immediately after a meal. Due to the short duration of action of Humalog, patients with type 1 diabetes also require a longer-acting insulin to maintain glucose control (except when using an insulin pump). Glucose monitoring is recommended for all patients with diabetes.

The safety and effectiveness of Humalog in patients less than 3 years of age have not been established. There are no adequate and well-controlled clinical studies of the use of Humalog in pregnant or nursing women.

Starting or changing insulin therapy should be done cautiously and only under medical supervision.

Humalog is contraindicated during episodes of hypoglycemia and in patients sensitive to Humalog or one of its excipients.

Hypoglycemia

Hypoglycemia is the most common adverse effect associated with insulins, including Humalog. Hypoglycemia can happen suddenly, and symptoms may be different for each person and may change from time to time. Severe hypoglycemia can cause seizures and may be life-threatening.

Other Side Effects

Other potential side effects associated with the use of insulins include: hypokalemia, weight gain, lipodystrophy, and hypersensitivity. Systemic allergy is less common, but may be life-threatening. Because of the difference in action of Humalog, care should be taken in patients in whom hypoglycemia or hypokalemia may be clinically relevant (eg, those who are fasting, have autonomic neuropathy or renal impairment, are using potassium-lowering drugs, or taking drugs sensitive to serum potassium level).

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