

Many Hispanics Lack Usual Health Care Provider

BY ALICIA AULT

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WASHINGTON — Hispanics may place significant stress on the health care system in the future, as they are projected to be the largest segment of the population by 2050, but are less likely to have a usual source of care and have less knowledge about chronic disease, according to new data from the Pew Hispanic Center and the U.S. Census Bureau.

The Hispanic population will triple from 2008 to 2050, rising from 47 million today to 133 million in 4 decades. By 2050, Hispanics will make up 30% of the nation's total population, according to the Census Bureau.

Currently, there are 30 million Hispanic adults in the United States, according to a new report from the Pew Hispanic Center, "Hispanics and Health Care in the United States: Access, Information and Knowledge." The Pew Hispanic Center, in conjunction with the Robert Wood Johnson Foundation, conducted a national telephone survey in 2007; about 4,000 Hispanic individuals completed the survey.

The data showed that Hispanics generally tend to be young and healthy, but have a

high prevalence of obesity and a predisposition to diabetes, indicating a potential future crisis, said Susan Minushkin, deputy director of the Pew Hispanic Center, in a briefing with reporters. The Centers for Disease Control and Prevention has estimated that 10% of Hispanics have diabetes, 20% have hypertension, 40% are overweight, and 27% are obese, she said.

Therefore, it is worrisome that 27% of Hispanics—about 8 million adults—lacked a usual health care provider, said Ms. Minushkin. Only 62% of Hispanics without a usual provider had a blood pressure check in the last 2 years, compared with 86% of those who have a provider, the Pew Center found. Only 67% of those lacking a usual provider had a blood sugar test in the last 2 years, compared with 90% of those who have a provider.

Diabetes knowledge was inconsistent, even among those diagnosed with the disease, the Pew Center found. Twenty-seven percent of diagnosed diabetics answered at least three of eight questions

about the disease incorrectly. Overall, Hispanic women were more likely to give correct answers, as were middle-aged Hispanics of both sexes. Immigrants had the least amount of knowledge.

Those who did not have a usual health care provider were more likely to be young (aged 18-29 years), to lack a high school diploma, and to be uninsured. They also were more likely to be predominantly Spanish-speaking and to be foreign-born but not yet legal permanent residents. Mexicans and Central Americans were most likely to lack a usual provider.

But 45% of those who did not have a usual provider had health insurance.

The primary reason—given by 41% of respondents—for not having a usual health care provider was that they were seldom or never sick. Another 13% said they treat themselves or don't use a physician. Eleven percent said the cost of care was prohibitive, 2% said they didn't know where to go for care, and 1% said they couldn't find a provider who spoke their language.

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Though the vast majority—78%—rated the quality of their care as good or excellent, about 25% said the care they received was poor, which they blamed on their ethnicity or their English-speaking skills or accent.

More than two-thirds of respondents (71%) said they received information about health from a physician or other medical professional, but 83% said they received it from the media. "I can't comment on whether the information they are getting is good or bad," said Ms. Minushkin, adding that the Pew Center did not ask what types of media were being cited. But, she added, "those who do get information from the media make changes in their behavior."

At the press briefing, William A. Vega, Ph.D., professor of medicine at the University of California, Los Angeles, noted that the Hispanic population is going through "an intense process of assimilation, including learning how to use the health care system."

He added, "This study really points out where the jagged edges are." For instance, the nation has undergone a significant shift toward specialty care, but "populations such as Latinos require greater access to primary care." ■

Banks, Other Financial Institutions Moving Into Health Care

BY ERIK L. GOLDMAN

Contributing Writer

WASHINGTON — With health savings accounts serving as a point of entry, banks and other financial institutions are rapidly moving into the health care sector, and bankers think they have much to offer in streamlining health care transactions and bringing greater efficiency to the medical world.

In this era of e-commerce, it is difficult to remember a time when cash was not available 24/7 and all of one's personal financial information wasn't just a few mouse-clicks away. It is hard to imagine that at the advent of electronic banking, it was a scary prospect for many people.

In terms of the digitization of health care financing, we are still in that paper-based era, and many people feel distrust for electronic health care management in the same way they felt distrust for electronic banking when it was first introduced.

But bankers engaged in health care believe we're on the cusp of rapid change. Over the next decade, broader adoption of health savings accounts (HSAs) coupled with interoperable personal health records systems on the patient side, and wider use of electronic medical records on the physician side, will bring health care in line with nearly all other industries in terms of maximal use of electronic information exchange.

James S. Gandolfo, senior vice president of PFPC, a division of PNC Financial Services, and chairman of the American Bankers' Association's HSA Council, told people attending the annual fifth World Health Care Congress that banks' involvement in health care could be profoundly transformational.

For one, banks can provide interoperable and widely accepted technology platforms, something the health care sector has yet to develop on its own. Banks are also very tightly regulated and standardized; they have exhaustive experience conducting rapid and high-volume data exchange in a secure environment; they provide multiple but interrelated services for millions of people.

Banking technology has given ordinary people far

greater control over their financial lives. "Banks provide established rules for information exchange, and worldwide standardization. That's why your American ATM card and credit card work when you're traveling in Italy," Mr. Gandolfo said.

PNC Financial Services, which has assets of roughly \$90.7 billion and \$58.7 billion in total deposits, is the eighth largest treasury management group in the country. It is moving steadily into health care, positioning itself as a health care financial clearinghouse currently serving 1,200 corporate clients, including Medicare and Medicaid programs, Blue Cross/Blue Shield plans, commercial insurance carriers, and pharmacy benefits managers.

As an industry, health care has lagged far behind other industries in terms of information technology investments. Mr. Gandolfo estimated that about \$3,000/worker per year is spent on technology advances in the health care sector, while about \$7,000/worker per year is spent by other private sector industries, and about \$15,000/worker per year is spent in the banking industry.

He said he strongly believes it is time for the health care sector to embrace the technology developed by the banking world, and he doesn't think it will be long before we routinely see card-based health care transactions, real-time information exchange, and real-time financial transaction settlements.

According to Chad Wilkins, who serves as CEO of OptumHealth Bank, the growth of health savings accounts is a major driver of change, and a strong magnet for banks and other financial service firms eyeing the health care sector.

Mr. Wilkins estimated that currently, financial services companies hold about \$3.2 billion in HSAs, in 2.2 million accounts that cover health care for around 6.5 million Americans. According to a survey by the industry group America's Health Insurance Plans, 27% of individuals who selected HSAs were previously uninsured. "It is still new, but employees are starting to take advantage of HSAs."

Bankers like Mr. Wilkins and Mr. Gandolfo want to see those numbers grow. "The biggest issue is education. We

need to educate the market, educate consumers, educate policy makers, and educate employers," Mr. Wilkins said.

OptumHealth Bank is piloting a new HSA debit card that links to a user's personal health record and facilitates transactions for both patient and physician. The "OptumHealth Bank Mastercard" gives real-time access to benefits information, as well as funds. It essentially eliminates claims forms and the attendant processing. Doctors are paid right away and no longer have to wait 60 days for reimbursement.

Both Mr. Wilkins and Mr. Gandolfo said they and others in the health care banking community vigorously oppose proposed federal legislation that would mandate new HSA expenditure substantiation rules. They contend that new regulations would only add costs, create complications, and slow the widespread adoption of HSAs.

One of the primary virtues of banking technology is its capacity to eliminate paper-based transactions, something health care desperately needs to do, Mr. Wilkins said. "Ninety-five percent of current payments to providers and explanations of benefits are still done on paper. That's crazy! It's a staggering amount of paper, and much of this can be computerized."

He estimated that it costs banks about \$1 per paper check or provider remittance advice form, roughly \$30 for each voided and reissued paper check, and about \$5 per phone call to see what's wrong in a given transaction. Universal electronic claims could save up to \$35 billion for health care providers and \$1 billion for health care plans.

Mr. Gandolfo said savings on this order are very, very real. A large health care provider group that implemented PNC's E-Healthcare platform realized \$2.9 million in annual cost avoidance, and 64% time savings in its accounts receivables. Electronic funds transfers reduced the average time from claims submission to payment by 43%, from 49 days down to 28 days. The average time to make claims adjustments improved by 29%.

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