

Community Catalyst Newsletter

Shaping the health system through grassroots activism

Concerns About Anthem's Take-Over...With Anthem Insurance Company finalizing the initial "Form A" submission to state insurance regulators for its proposed acquisition of Blue Cross Blue Shield of New Hampshire (BCBSNH), **New Hampshire Citizen's Alliance** (NHCA) is leading a coalition to prioritize consumer and provider concerns about losing the state's last nonprofit insurer to the Indiana-based mutual insurance company.

The coalition represents hospitals, mental health providers, families of children with special needs, unions with large numbers of BCBS subscribers, and others.

"The reality is that New Hampshire's 300,000 Blue Cross subscribers will now be just a small piece of this national company," noted Community Catalyst's Deborah Cowan.

That means governance will be critical. Anthem says New Hampshire will have a seat on its national board, but the coalition says that isn't enough.

Another key concern: whether Anthem will contract with an adequate network of providers, especially in New Hampshire's most rural areas.

Securing a formal commitment from Anthem to share information and maintain dialogue is probably the top priority, notes NHCA's Dawn Touzin.

"We need a process that will keep the lines of communication open, so that decisions don't just get made 'on high' in Indiana," Touzin explains. "That's the only way to ensure that Anthem continues to look at the needs of New Hampshire."

Amicus Brief on Documents Filed...In a friend of the court brief filed last week with the Supreme Court in the state of Washington, **Community Catalyst** (CC) and **Consumers Union** argue that the state Appeals Court erred when it ruled that documents sought by **Washington Citizen Action** (WCA) concerning a 1995 health plan transaction

were confidential and need not be made available to WCA.

While the nonprofit merger between Group Health Cooperative of Puget Sound and Virginia Mason Health Plan was completed some time ago, CC attorney Renée Markus Hodin says what's really at stake is public access to documents in future transactions.

"If there's a conversion down the road," Hodin explains, "and charitable assets are involved, consumers need to know they have a right to information, and that the insurance commissioner cannot withhold documents."

For a copy of the brief, call Renee Markus-Hodin at (617)338-6035, ext. 306.

When a Health Center Goes Bankrupt...Founded in the 1970's to serve one of Boston's most isolated neighborhoods, the East Boston Neighborhood Health Center recently filed for bankruptcy. To preserve services crucial to East Boston's largely poor and immigrant residents, **Health Care For All** (HCFA) in Massachusetts is hoping its lawyers can persuade the federal Bankruptcy Court that traditional creditors are not the only group whose interests it must protect.

"The health concerns of consumers and the community must also come to the fore in this case," explains Laurie Martinelli, director of **Health Law Advocates** (HLA), HCFA's counsel. HLA will get pro bono assistance from one of Boston's premier law firms. Goodwin, Procter & Hoar, experts in personal and corporate bankruptcy.

While the courts have generally treated these bankruptcies like any other, HCFA argues that must change, especially now that health care bankruptcies—once virtually unheard of—are resulting more often from the competition between health plans, hospitals, and other providers.

HCFA's legal team will argue that the court must also consider the impact loss of crucial health care services will have on the community.

"Just as we had to become well-versed in conversions, now we've got to start learning how to work with the bankruptcy laws," says Martinelli.

White Knights or Trojan Horses?...In a new report by that name, **Consumers Union** (CU) reports that provision of charity care declined at California hospitals that became for-profit between 1993 and 1998. Nor did the sale proceeds from the ten transactions reviewed ever fully replace the community benefits provided by the formerly nonprofit hospitals, CU said.

The report shows how to analyze what impact conversions have on the provision of free care. While adequate data was not easy to secure, CU found substantial declines in free care at four hospitals: United Western of Santa Ana (94%); Good Samaritan (88%); United Western of Anaheim (84%); and Riverside (31%).

To protect consumers and communities in such for-profit transactions, the report recommends stricter public participation requirements; more specific health impact statements; explicit requirements on maintenance of charity care; full, fair market value hospital sale prices; and passage of a pending California bill to require more stringent regulatory oversight.

Call 415-431-6747 to order the report, or go to the CU web-site (www.consumersunion.org) for the executive summary.

Vinyl IV Bags and Mercury Thermometers...These are just some of the hospital by-products that **Health Care Without Harm** has targeted in its campaign to make the health care system more environmentally responsible.

At a recent "brown-bag lunch" with **Community Catalyst**, **Health Care for All**, and **Access Project** staff, Healthcare Without Harm's Gary Cohen said health care organizers should start factoring hospital use of environmental toxins into their community benefit work and ongoing analysis of local hospital practices.

What hospitals do with their garbage has a tremendous—and very concrete--community health impact, Cohen said. Most hospitals burn their medical waste, and the incinerators pump out lethal toxins and air pollutants that endanger adults, children, and especially pregnant women and infants.

About a fourth of the IV bags and plastic tubing used in U.S. hospitals are made with polyvinyl

chloride (PVC), a human carcinogen the EPA has linked to liver, kidney, and reproductive disease. Mercury, found in thermometers and other medical equipment, is so hazardous that the EPA has required the AHA to eliminate its use by 2005.

For more information, contact Gary Cohen at (617)524-6018 or gcohen@igc.apc.org.

Expanding Medicaid Coverage...**Consumers for Affordable Health Care** Director Joe Ditre says legislation expanding Medicaid coverage seems headed for passage in Maine. The bill would target 90% of the state's tobacco settlement funds to access expansions, including a requirement that the state seek a HCFA waiver to provide full Medicaid drug coverage to seniors and persons with disabilities with incomes up to 185% of the federal poverty level (FPL)....

In Rhode Island, **Ocean State Action** is pushing legislation to extend Medicaid eligibility to undocumented children, a critical policy shift. "We like to say we cover all kids in Rhode Island through Rite Care, but until we cover undocumented kids, we can't say that," says Marti Rosenberg of OSA...

Building on the May 13 release of "Losing Health Insurance: The Unintended Consequences of Welfare Reform," a **Families USA** report on the link between the 1996 Federal welfare reform and declining Medicaid enrollments, **Children's Defense Fund**, **Families** and the **National Association of Child Advocates** co-sponsored a national conference call May 21 with report author Rachel Klein, Pat Redmond of the Philadelphia Citizens for Children & Youth, and Linda Hall of the Wisconsin Council on Children and Families.

To hear the tape, call 1-888-836-6074 (code 239228) after 5 p.m. until May 28.

The *Community Catalyst Newsletter* is a forum for organizers to share information and strategies. It is published monthly by Community Catalyst, a national consumer advocacy center whose mission is to empower consumers, especially those most at risk. Community Catalyst provides the training and tools that allow consumers to participate in shaping the health system to respond to community needs.

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