

Workgroup IV Recommendations

Recommendation 1.

In 2011, Iowa should begin the process of cultural transformation for better health and well being. This change will begin to shift the high cost of health care and lead Iowans down the path to be one of the healthiest in the nation.

The Issue

Iowa's indicators of health and wellbeing are declining and healthcare costs are rising. The data clearly states these declines will continue into the foreseeable future unless all cultural sectors acknowledge, embrace and fund an environment that allows for cultural transformation.

Without a fundamental change geared toward the cultural transformation where all Iowans can live healthier, the human and financial toll of poor health and disease will rob the state of a successful and secure future.

Cultural Transformation for health and well being needs to happen now because:

- More than one million Iowans or almost two out of every five (38%) state residents suffer from at least one chronic disease. (1)
- The percentage of adult Iowans diagnosed with diabetes increased 26% between 2000 and 2009. (2)
- Chronic diseases, such as heart disease, stroke and all cancers, are the leading causes of death for adults in Iowa, claiming more than 18,000 Iowans a year.
- Heart disease accounts for 27% of deaths in Iowa and stroke, 7% of deaths. (2005)
- 27% of adults in Iowa report in 2007 having high blood pressure (hypertension) and 38% of those screened report having high blood cholesterol, factors that put individuals at greater risk for developing heart disease and stroke. (4)
- 23% of all Iowa deaths in 2005 were due to cancer. The American Cancer Society estimates that 16,540 new cases of cancer were diagnosed in Iowa in 2007, including 1,930 new cases of colorectal cancer and 2,000 new cases of breast cancer in women. (5)
- 65% of adult Iowans were overweight or obese and 14% of high school students were overweight, based on self-reported height and weight. (2007) Furthermore:
 - ✓ 81% of high school students and 80% of adults in Iowa consumed fewer than 5 fruits and vegetables per day.
 - ✓ 30% of Iowa high school students did not attend physical education classes.
 - ✓ 52% of adults did not engage in sufficient moderate or vigorous physical activity. (6)
- Iowa spends an estimated \$783 million yearly in obesity related medical expenditures. (7)
- The economic cost of chronic disease to Iowa's state and local governments, communities, employers and individuals is estimated to be \$7.6 billion per year. This cost reflects direct expenditures, such as payments for health care services, and indirect costs, such as lost workdays and lower productivity. (8)

Workgroup IV DRAFT Recommendations

Picture a community where all cultural sectors were aligned in purpose around the health and well being of every lowan. We could reverse poor health risk behaviors to focus on preventive behaviors with a culture aligned with a common purpose.

The Response

Iowa must set a state goal of promoting a state of positive health and wellness. Our culture must empower and expect lowans to assume personal responsibility for maximizing their individual, family and community health. Those barriers which prevent lowans from leading healthy lives must be pushed aside by enacting evidence-based population and individual health promoting policies.

To reach the long term goal of making Iowa one of the healthiest states in the nation with sustainable health care costs the following concrete first steps, should be pursued in 2011:

1. Instituting an outcomes-based wellness program for the state of Iowa workforce.
2. Making use of tax credits to realize a healthier Iowa by:
 - a. Promoting the maximum possible use of the Patient Protection and Affordable Care Act's worksite wellness credits
 - b. Creating state-based health and wellness tax credits for businesses who do not qualify for federal credits, using the Small Business Qualified Wellness Tax Credit plan (HF 2536) as a model.
1. Directing the Iowa Department of Public Health and the Iowa Insurance Division to work together to develop best practices that will allow the incorporation and promotion of worksite wellness programs in Iowa employer-sponsored health insurance.
2. Determining how wellness measures can be incorporated into plans that will be sold in a 2014 Iowa Health Benefit Purchasing Exchange.
3. Developing a public (Medicaid) and private (insured) Iowa medical home model that incorporates health and wellness promotion.

Recommendation 2. Iowa should promote the use of all existing employer-related health care coverage related tax credits. The Iowa Insurance Division, the Iowa Department of Revenue, the Department of Workforce Development, and the Iowa Department of Economic Development should work together with business, trade, and labor associations and organizations to ensure that all employers, including specifically very small employers (<10 employees) are 1) made aware of the existing tax credits, 2) encouraged to use tax credits to reduce their cost of purchasing employee coverage, and 3) provided technical assistance in obtaining tax credits.

Background

The *Patient Protection and Affordable Care Act* (PPACA) amends Sec. 125 of the Internal Revenue Code so that insurance purchased from a 2014 health benefit exchange cannot be funded through a so-called "cafeteria plan" unless an employee's employer is eligible to participate in the exchange **and** chooses to make group coverage available to the employee through the exchange. This means that under the PPACA, individual insurance policies offered by a state benefit exchange can not be purchased with pre-tax dollars through a cafeteria plan.

Workgroup IV Recommendations

In Summary

Over the last four years, Iowa has spent an intensive amount of time and effort through the Commission and the subsequent advisory councils studying and learning about the high cost of health care. We learned that the State of Iowa has many successful programs dedicated to the health and well being of Iowans. Now the challenge is uniting all influences together to bring about transformational change to Iowans that will allow Iowans a healthy and financially secure future.

One thing that has stood out time and again is that 75-80% of all of our health care costs are driven through behavioral choices. We believe it is now time to spend 75-80% of our efforts to literally reverse this behavioral epidemic. It will require immense leadership from all levels of society, including individuals, families, faith-based organizations as well as businesses, non-profits, the media and arts and entertainment, all the way to communities and government. We know that this cultural transformation will be difficult, but ultimately it is the lives of all Iowans at stake. Now is the time.

Notes:

- (1) *The Prevalence and Cost of Select Chronic Diseases*. The Lewin Group. Research conducted for the Pharmaceutical Research and Manufacturers of America (PhRMA). March 2007.
- (2) Centers for Disease Control and Prevention: National Diabetes Surveillance System. Available online at: <http://www.cdc.gov/diabetes/statistics/index.htm>.
- (3)
- (4) Iowa: Burden of Chronic Diseases. Centers for Disease Control 2008. Available at <http://www.cdc.gov/chronicdisease/states/pdf/iowa.pdf>
- (5) Ibid.
- (6) Ibid.
- (7) Finkelstein E, Fiebelkorn I, Guijing W. State-Level Estimates of Annual Medical Expenditures Attributable to Obesity. *Obesity Research*. 2004; 12:18-24. Available at: <http://www.obesityresearch.org/cgi/reprint/12/1/18>.
- (8) *Health Care Reform: Implications for UI Health Care*. Jean Robillard, MD. Presentation to The Board of Regents State of Iowa, September 16, 2010
- (9) Ibid.