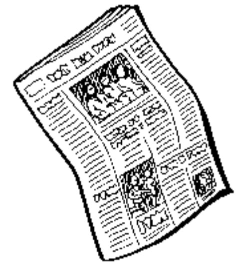
California and National News



University of California (Berkeley) Fullback Aspires To Be Anesthesiologist: Senior fullback Brian Holley (from Pomona) of the bowl-bound UC Berkeley football team is first and foremost a serious premedical student. Certainly, he was the only member of the star-studded football team who took organic chemistry, a fact consistent with his Diamond Ranch High School grade point average of 4.5 (along with several advanced placement classes). Considered as too small (5'10") by Division 1 recruiters, he chose UC for its academic merits and made the team as a "walk-on," his function on the field mainly being a blocking back for All-American halfbacks. His early days on the football team were filled with conflict, as his idea of academic independence and responsibility didn't necessarily jibe with that of his coaches, who weren't used to dealing with academically gifted and committed players. Holley likes being in charge of his team's backfield plans. "I always consider myself as a leader, and with leadership comes responsibility." Following his orthopedic surgery on a fibular fracture earlier this year at the end of spring scrimmage, he said, "Anesthesiologists have the most responsibility in surgery. I respect the profession, and I'm really interested in learning more about it. … I talked to some of the anesthesiologists before and after [the operation] to see how they did it. … It was cool to be on the other side of it, to witness them in action as a patient." His teammates use him as a resource even when removed from the complexities of the Cal offense: He recalls one teammate hoping that Holley would be able to get him a job after college. Holley says that his present and future plans include "knocking people out—on the field and off the field." (By Jeff Goodman, *The Daily Californian,* October 24, 2009.)

Senators Address Health Insurance Companies' Lethal Medical Loss Ratio: The remaining handful of mega-sized health insurance industry companies, covering about one-third of Americans, pay out only 82 cents of each premium dollar (medical loss ratio—MLR) for health care. The remainder is consumed by profits, huge executive salaries, administrative expenses, and ferreting out pre-existing medical conditions, and claims reviews that wear out patients, physicians and hospitals with denial and disapproval of health care that patients need. This is in stark contrast to the early 1990s when health insurance companies spent 95 cents of the premium dollar on health care. In a private health insurance industry that collected $847 billion this past year, 14 cents on the dollar drop in the MLR equates to $112 billion a year. The current Senate version of the health reform bill requires that insurers provide an annual rebate to each enrollee if non-claims costs exceed 20 percent in the group market and 25 percent in the individual market. Senators Rockefeller, Franken and Lincoln are introducing an amendment that would require that 90 percent of the money consumers spend on health insurance premiums go directly to health care costs. The MLR is the key: when it goes up, profits erode, and the insurance company's worth on the stock market plummets. In 2007, Kaiser's MLR was 90.6 percent, and Medicare's was 97 percent averaged between 1993 and 2007. In 2006, when Aetna reported that its MLR increased from 77.9 to 79.4, its stock share dropped 20 percent! More recently, the Senate committee on Commerce, science and transportation's investigation found that Aetna recently overstated by $4.9 billion its MLR for small businesses, making the MLR 79 percent, not the 82 percent initially reported. Aetna said the error was a "simple mistake." (Avery Johnson, *The Wall Street Journal,* December 9, 2009.)

Mayo Clinic Refuses Medicare Patients: The Mayo Clinic now is refusing to accept Medicare patients at one of its primary care clinics in Glendale, Arizona, thereby initiating a pilot project that will determine if Mayo also will not accept other Medicare patients in other of its clinics in Minnesota, Florida and Arizona. The Mayo serves over 500,000 Medicare patients that have led to a loss of close to a billion dollars, 15 percent of which was in Arizona. The Mayo said that "decades of underfunding and paying for volume rather than value in Medicare have led to this decision." Due to low Medicare reimbursement rates, it has become clear to Mayo that "only governments can lose that much money and pretend they don't have to change policy." Physicians, on the average, earn about 25 percent less from Medicare than from private patients, although the figures for anesthesia are much worse. Only 73 percent of the 92 percent of family practice physicians who participate in Medicare are accepting new patients, but in some specialties, such as gynecology, oncology and neurology, it is almost impossible to access these specialists in New York and Washington, D.C. This flies in the face of the praise for Mayo by the Obama Administration as a model for improved outcomes at lower costs, or in President Obama's words, providing "the highest quality care at costs well below the national norm." (*Bloomberg.com (David Olmos)*, January 12, 2010.)