

Health Care Reform

By Bill Hobby

We are in the midst of a national debate about responsibility for health care. Congress has vowed to give states more responsibility, more flexibility and less money to provide care for those without health insurance.

It provides more evidence that the problems we deal with in government rarely change and are never solved.

In the early 1980's we were in the midst of a similar debate. President Reagan called it the New Federalism, but the gist of it was that states were to get more responsibility, more flexibility and less money.

Since Texas then, as now, led the nation in the percentage of people without health insurance, this was a serious matter. In fact, it scared Texas counties to death.

Our quaint state constitution gives counties responsibility for indigents, paupers and lunatics. A decade ago, health care costs were rising, and public hospitals were getting more aggressive about collecting on the bills run up by uninsured people from other counties. The poor we have always with us.

Parkland Hospital in Dallas had filed lawsuits against some nearby counties. County judges worried about a federal court decision that would saddle them with the cost of health care.

Private hospitals, then as now, were worried about their bottom line. That caused some fairly spectacular cases of patient dumping. This occurs when a very ill patient arrives at a hospital, in one case a gentleman with a knife in his back. A biopsy is performed on his or her wallet, and should it be short of cash or proof of insurance, the patient is sent on his or her way, often with catastrophic results.

So the time was right for a look at indigent health care. Counties wanted to limit their liability. Basic humanity demanded a more reasonable system of caring for the poor.

The Task Force on Indigent Health Care was assembled in December, 1983, headed by the late Helen Farabee, and staffed by Bryan Sperry, who now heads the Texas Association of Children's Hospitals.

After 13 hearings and site visits, this task force of 71 people produced a package of bills which included:

- I. The county responsibility bill which defined a county's responsibility for indigent care and set up a mechanism for state payments when the county had paid its share.
- II. The Maternal and Infant Health Improvement Act which allowed Texas to participate in the federal program, later covered by Medicaid, and greatly expanded prenatal and postnatal care for low-income women and children.
- III. The Primary Care Act which set the foundation for primary care clinics which are recognized still as the keystone of preventive care.
- IV. The Patient Dumping Act which requires a hospital to stabilize a person whose life is in danger, regardless of the condition of his or her wallet, before transferring the patient to a tax-supported public hospital.

Enacting this rather modest package into Texas law became a suspense story, complete with last minute about-faces, frenzied staff work, high tragedy, tragic blunders, acts of political cowardice and acts of political courage.

The County Responsibility Act required about \$70 million to reimburse counties for indigent care. An eleventh hour change in the funding mechanism caused a major redrafting of the bill the day before the end of the 140-day legislative session. In 1985, the end of the session was pandemonium with hundreds of bills and conference committee reports still waiting for consideration.

The redrafted bill, pulled together by health care policy expert DeAnn Friedholm, came to the floor of the House and Senate with only hours to spare. The Senate passed it quickly. In the House, a point of order was raised. The bill had not laid out the requisite two hours.

Maybe it was malicious. Maybe it was a mistake. It was critical. Under House rules, the bill could not come to the floor until three minutes to midnight with the Legislature adjourning sine die at that hour. A Republican from Richardson, Rep. Frank Ceverha, easily talked it to death.

The galleries were packed with members of Valley Interfaith and Communities Organized for Public Service. These organizations, now known for their political power in the Valley and San Antonio, had lobbied for days for the bill.

They blamed Gov. Mark White for the funding fiasco and demanded that he call a special session. He did, but the drama wasn't over.

The Senate convened, passed the bill and adjourned in 38 minutes. The House Conservative Coalition proposed a crippling substitute. U.S. Sen. Phil Gramm called House members asking them to vote against the bill. The issue wasn't as much about health care as about the next election. Sound familiar?

The vote to table the watered-down substitute came up 73 to 71. House members vote by pushing buttons at their desk. Any member can request a verification to see if buttons were pushed for absent members. The verification came up a tie, 71 to 71.

Speaker Gib Lewis took a stand. He said, "Show the Chair voting Aye." The rest was easy. This rather modest package set important precedents. The indigent health care package set up the system of disproportionate share which Texas later used very successfully to capture more federal Medicaid dollars. It began some important Medicaid expansions which greatly improved care for pregnant women and children. It created the first state legislation against patient dumping which is still a national model. It affirmed the primary care model.

It is still in use and helps Texas counties provide some care for those who don't have health insurance and don't qualify for Medicaid.

It also illustrates the difficulty states have in dealing with the ongoing challenge of health care reform. Many states have looked at it, as Texas did in 1992. Few have taken action. There are just too many pieces decided at the federal level, such as tax code treatment of health benefits, Medicare, the Veterans' Administration, medical research and graduate medical education. So it's great to hear how creative states can be when they have more responsibility and more flexibility. It's just hard to figure out how it can be accomplished.

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