

NATIONAL HEALTH CARE REFORM: THE GOOD, THE BAD AND THE UGLY



Friday, November 11, 2011

James A. Baker III Hall

Rice University



JAMES A. BAKER III
INSTITUTE FOR
PUBLIC POLICY
RICE UNIVERSITY

HEALTH POLICY forum

James A. Baker III Institute for Public Policy • Rice University

NATIONAL HEALTH CARE REFORM: THE GOOD, THE BAD AND THE UGLY

About the Conference

The Baker Institute is hosting its third biennial conference on health care reform to consider the implications of the 2010 Patient Protection and Affordable Care Act for the U.S. health care system and the well-being of the population. Five of the nation's foremost health economists will discuss issues including the economic underpinnings of the health care reform legislation, the current status and future for the prescription drug industry, and the long-term care sector.

Organizing Partners

The Health Policy Forum at the James A. Baker III Institute for Public Policy is a versatile group established under the umbrella of the institute's Health Economics Program. It is a membership-based group whose corporate and private contributors help support the Baker Institute's health policy research. The Health Policy Forum offers a unique setting for medical and policy professionals to discuss issues of growing concern, such as options for controlling skyrocketing medical costs, reducing the number of uninsured Americans and managing the growing burden of diseases such as diabetes and obesity. The forum also provides objective analysis of reform proposals. The goal of the Health Policy Forum is to facilitate the exchange of ideas in order to spur groundbreaking research and policy decisions, and to foster improved understanding of national health concerns, as well as those in Texas, so as to improve the quality of the health care system overall.

Acknowledgments

Support for this program has been generously provided by the Sid W. Richardson Foundation. The Health Policy Forum would also like to thank its members: Baylor College of Medicine; Madison Benefits Group, Inc.; St. Luke's Episcopal Health System; Humana; The University of Texas MD Anderson Cancer Center; and Texas Children's Hospital.

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| 8:00 am | Continental breakfast |
| 8:30 am | Opening remarks
The Honorable Edward P. Djerejian
Founding Director, James A. Baker III Institute for Public Policy |
| 8:45 am | Technology and Cost Growth in American Health Care
Amitabh Chandra, Ph.D.
Professor of Public Policy, Kennedy School of Government, Harvard University |
| 9:45 am | Panacea or Bitter Pill: Prescription Drugs Under Health Care Reform
Kosali Simon, Ph.D.
Professor, School of Public and Environmental Affairs, Indiana University |
| 10:45 am | Break |
| 11:00 am | Will Long-term Care be a Class Act Under Health Care Reform?
David C. Grabowski, Ph.D.
Associate Professor of Health Care Policy, Harvard Medical School |
| Noon | Lunch and keynote — The Economist's Invisible Hand in the Affordable Care Act
Mark Duggan, Ph.D.
Professor of Business and Public Policy, The Wharton School, University of Pennsylvania |
| 1:30 pm | Break |
| 1:45 pm | Industry Consolidation: Facts, Impacts and Policy Options
Martin Gaynor, Ph.D.
E.J. Barone Professor of Economics and Health Policy, H. John Heinz III College, Carnegie Mellon University |
| 2:45 pm | Closing remarks
Vivian Ho, Ph.D.
James A. Baker III Institute Chair in Health Economics, James A. Baker III Institute for Public Policy;
Professor of Economics, Rice University; and Professor of Medicine, Baylor College of Medicine |

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Speaker Biographies

Amitabh Chandra, Ph.D., is an economist and a professor of public policy at the Harvard Kennedy School of Government. He is a research fellow at the Institute for the Study of Labor (IZA) in Bonn, Germany, and at the National Bureau of Economic Research in Cambridge, Mass. His research focuses on productivity, cost-growth and racial disparities in health care. His work has received support from the National Institute on Aging, the National Institute of Child Health and Development, and the Robert Wood Johnson Foundation, and it has been published in the *American Economic Review*, the *Journal of Political Economy*, the *New England Journal of Medicine*, and *Health Affairs*. Chandra is an editor of the *Journal of Human Resources*, *Economics Letters* and the *American Economic Journal*. He has testified before the U.S. Senate, the National Academy of Sciences, the Institute of Medicine of the National Academies, and the U.S. Commission on Civil Rights. His research has been featured in *The New York Times*, *The Washington Post*, *CNN* and *Newsweek*, as well as on NPR. Chandra is the recipient of an Outstanding Teacher Award from Harvard Kennedy School, the first-prize recipient of the W.E. Upjohn Institute for Employment Research's International Dissertation Research Award, the International Health Economics Association's Arrow Award for best paper in health economics, and the Eugene Garfield Impact on Medical and Health Research Award. He received his Ph.D. in economics from the University of Kentucky.

The Honorable Edward P. Djerejian served in the U.S. Foreign Service for eight presidents, from John F. Kennedy to William J. Clinton (1962–1994). Prior to his nomination by President Clinton as U.S. ambassador to Israel (1993–1994), he was assistant secretary of state for Near Eastern affairs in both the George H.W. Bush and Clinton administrations (1991–1993). He was the U.S. ambassador to the Syrian Arab Republic (1988–1991). He also served as special assistant to President Ronald Reagan and deputy press secretary for foreign affairs in the White House (1985–1986). After his retirement from government service in 1994, Djerejian became the founding director of the James A. Baker III Institute for Public Policy at Rice University. His book “*Danger and Opportunity: An American Ambassador's Journey Through the Middle East*” was published by Simon & Schuster Threshold Editions in September 2008. He has been awarded the Presidential Distinguished Service Award, the Department of State's Distinguished Honor Award and numerous other honors, including the Ellis Island Medal of Honor and the Anti-Defamation League's Moral Statesman Award. He is also a recipient of the Association of Rice Alumni's Gold Medal, the group's most prestigious award, for his service to Rice University. In 2011, Djerejian was elected a fellow of the American Academy of Arts and Sciences, and named to the board of trustees of the Carnegie Corporation of New York.

Mark Duggan, Ph.D., is a professor of business and public policy at The Wharton School at the University of Pennsylvania and a research associate at the National Bureau of Economic Research. His research focuses on the effect of government programs including Social Security, Medicare and Medicaid on the behavior of individuals and firms. He also studies the contribution of market structure to the rise in health insurance premiums and the effect of physician financial incentives on the cost and quality of health care. Duggan's research has been published in leading academic journals and has been featured in *The Economist*, *The New York Times* and *The Wall Street Journal*. He is a co-editor at the *Journal of Public Economics* and serves on the editorial board of *American Economic Journal: Economic Policy*. Duggan is a recipient of the ASHEcon Medal, awarded biennially by the American Society of Health Economists to the economist age 40 or under who has made the most significant contributions to the field. Along with his co-author Fiona Scott Morton, he received the National Institute for Health Care Management's 2011 Health Care Research Award. Duggan served from 2009 to 2010 as the senior economist for health care policy at the White

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Speaker Biographies (continued)

House Council of Economic Advisers and has also been a consultant and expert witness for the U.S. Department of Justice. He is currently serving on the Social Security Advisory Board's Technical Panel on Assumptions and Methods and is an advisory board member at McKinsey & Company's Center for U.S. Health System Reform. He received his Ph.D. in economics from Harvard University.

Martin Gaynor, Ph.D., is the E.J. Barone Professor of Economics and Health Policy in the H. John Heinz III College and the Department of Economics at Carnegie Mellon University. He is also an adjunct staff member at the RAND Corporation, a research associate at the National Bureau of Economic Research and an international research fellow at the Centre for Market and Public Organisation at the University of Bristol. He is a member of the Economics Reference Group of the Co-operation and Competition Panel in the United Kingdom, advising the British National Health Service on competition issues. Gaynor's research focuses on the economics of health care markets and health care organizations, particularly competition and antitrust in health care markets and provider compensation and incentives in health care organizations. This work has been published widely in scientific journals, including the *Journal of Political Economy*, *American Economic Review*, *RAND Journal of Economics*, *Journal of Industrial Economics*, and the *Journal of Health Economics*. Gaynor has worked with the U.S. Department of Justice, the U.S. Federal Trade Commission, the U.K. National Health Service, and the Netherlands Competition Authority and Dutch Healthcare Authority. He is the recipient of the 2007 Victor R. Fuchs Award for the best paper with the potential to spawn new research in an underdeveloped area of health economics or health policy, the 2005 National Institute for Health Care Management Foundation Health Care Research Award for best published research on health policy and management, and the 1996 Arrow Award for best published article worldwide in health economics, as well as a recipient of a Robert Wood Johnson Foundation Investigator Award in Health Policy Research. He received his Ph.D. in economics from Northwestern University.

David C. Grabowski, Ph.D., is an associate professor of health care policy in the Department of Health Care Policy at Harvard Medical School. His work focuses on the economics of aging, with a particular interest in the area of long-term care. His research has considered issues related to long-term care financing, organization and delivery of services. Grabowski is the principal investigator on ongoing grants from the National Institute on Aging examining Medicare payment incentives and the implications for nursing home volume, patient acuity and quality of care (R01 AG30079); selection and the impact of ownership on nursing home quality (R01 AG34179); and public policy and the demand for long-term care insurance (R01 AG41109). Other ongoing projects include an examination of the economic incentives associated with hospitalizations from the nursing home setting, work analyzing the relationship between Medicare and Medicaid in long-term care, and an analysis of the growth in potential substitutes for nursing home care, such as assisted living. He is also leading a team at Harvard in the evaluation of the CMS pay-for-performance demonstration aimed at reducing avoidable hospitalizations and other poor-quality care practices. Grabowski is a co-editor of the journal *Health Services and Outcomes Research Methodology*, as well as a member of the editorial board of *Medical Care Research and Review* and the *B.E. Journal in Economic Analysis and Policy*. He was the 2004 recipient of the Thompson Prize for Young Investigators from the Association of University Programs in Health Administration. Grabowski received his Ph.D. in public policy from The University of Chicago.

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Speaker Biographies (continued)

Vivian Ho, Ph.D., is the James A. Baker III Institute Chair in Health Economics, a professor in the Department of Economics at Rice University and a professor in the Department of Medicine at Baylor College of Medicine. Ho's research examines the effects of economic incentives and regulations on the quality and costs of health care. Her research is widely published in economics, medical and health services research journals. Ho's research has been funded by the National Institutes of Health (NIH), the Agency for Healthcare Research and Quality, and the American Cancer Society. Ho has served on the Board of Scientific Counselors for the National Center for Health Statistics, as well as on the NIH Health Services, Outcomes and Delivery study section. She is also a founding board member of the American Society for Health Economists. Ho received her A.B. in economics from Harvard University, a graduate diploma in economics from The Australian National University and a Ph.D. in economics from Stanford University.

Kosali Simon, Ph.D., is a professor in the School of Public and Environmental Affairs at Indiana University in Bloomington, Ind., and a research associate at the National Bureau of Economic Research. She is the 2007 recipient of the John D. Thompson Prize for Young Investigators, given by the Association of University Programs in Health Administration, and is on the board of directors of the American Society of Health Economists. Simon's research investigates state and federal regulations attempting to ease the availability of private and public health insurance for vulnerable populations through state small-group reforms, public health insurance expansions, Medigap rate regulations and adding prescription drug coverage to Medicare, as well as the regulations' impact on health insurance, health and labor market outcomes. She has also investigated the effect of factors such as unemployment, involuntary job loss and minimum wage laws on health insurance. A secondary research focus is the determinants of health and care use; for example, the income elasticity of demand for prescription medications. Simon's research has been published in several academic journals. She is an associate editor of Health Economics and a co-editor of the Journal of Policy Analysis and Management. Simon received her Ph.D. in economics from the University of Maryland.

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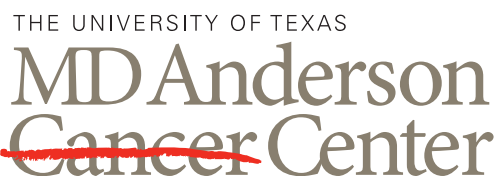
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