

Mark Masselli: This is Conversations on Health Care. I'm Mark Masselli.

Margaret Flinter: And I'm Margaret Flinter.

Mark Masselli: Well Margaret, I'm trying to get my head around the appropriate word to describe the roller coaster ride we've been on since the launch of the online Insurance marketplace, especially the federal exchange, but I seem to have brain freeze.

Margaret Flinter: Well there are a lot of words I can think of but let's go with tumultuous, that would seem appropriate. The actual number of folks who have managed to sign up on the Federal Exchange as of last week certainly has come in lower than estimates in the media. Only about 27,000 have been able to sign up for coverage on the [www.healthcare.gov](http://www.healthcare.gov) website so far.

Mark Masselli: It would be an understatement to say that that's far lower than the Obama Administration hoped for number of half a million, which was the target for the first six weeks of the operation on the online marketplace. Hopefully, it's going to improve.

Margaret Flinter: And we do have to remember to combine the federal numbers with numbers from the state-based exchanges which I think are going more smoothly than we get a number of about 120,000. Now Mark, we should note that those numbers are expected to increase much more rapidly as we get closer to December 15<sup>th</sup> which is the deadline to enroll for coverage and be covered by the 1<sup>st</sup> of January. So that's an important next chunk of time.

Mark Masselli: It certainly is, and folks are simply going to have to be patient with the federal exchange where a team of experts, probably an army of experts at this point continue to recalibrate the website and hopefully fix the issues that are out there so it can handle the influx of so many customers using the site at once. So far, the administration is sticking to its promise by the end of November as the target for getting these problems worked out.

Margaret Flinter: And Mark, of course, we've seen so much focus now on the President responding to a very contentious area, the fact that millions of Americans were experiencing their insurance plan, that they may have liked, being canceled because they didn't comply with the Health Care Law's Essential Benefits Clause.

Mark Masselli: There was quite a ruckus politically over those cancelations so the President decided, certainly after the prompting of former President Bill Clinton to offer a provision for those who want to keep their plan for one more year and they are going to be able to do so. Meanwhile, I think when people really look at what kind of coverage they are getting on those old plans versus what they will get by purchasing health insurance on the exchanges, they will likely find a more beneficial plan on the exchange.

Margaret Flinter: Well the American consumer is definitely having to do a deep dive into understanding insurance plans more than they ever have before and that's just going to take some time for consumers across the country to understand what's in it for them, what does it all mean. And that is really hard to do right now with all the political noise and the media attention, the opposition and the difficult technical rollout.

Mark Masselli: There is a light at the end of tunnel for those who have been concerned about other states out there running good plans, and our guest today can offer an entirely different perspective on the health care law. Kentucky Governor Steven Beshear is overseeing a very successful rollout of his state's insurance exchange.

Margaret Flinter: And the governor will provide some really tremendous insight into how the Affordable Care Act is poised to make a real difference in the health of a state, the health of its people and the health of its economy when the system is working as it should and firing on all cylinders.

Mark Masselli: Lori Robertson, Managing Editor of FactCheck.org will be stopping by to shine a spotlight on misstatements about health policies spoken in the public domain.

Margaret Flinter: And no matter what the topic, you can hear all of our shows by Googling CHC Radio.

Mark Masselli: And as always, if you have comments, please contact us at [www.chcradio.com](http://www.chcradio.com), or find us on Facebook or Twitter; we love to hear from you.

Margaret Flinter: We will get to our interview with Kentucky Governor Steven Beshear in just a moment.

Mark Masselli: But first here is our producer Marianne O'Hare with this week's Headline News.

### **(Music)**

Marianne O'Hare: I'm Marianne O'Hare with these Health Care Headlines. 3% and counting, that's the percentage of hope for 7 million Americans who've been able so far to sign up for health coverage on the Federal Health Exchange [www.healthcare.gov](http://www.healthcare.gov). The Obama Administration had been jonesing for half a million by now. The problems that have plagued this site since it launched October 1<sup>st</sup> continue to confound coders and designers who've been handpicked by the White House to fix their health care website that serves 36 states across the nation. The problems still center on the data hub through which all applicants must be processed to link to their tax information. The administration is still targeting the end of November as their self-impose deadline to fix the issues. What these problems elucidate is really a fight for credibility for the Obama Administration. Throughout President Barack Obama's first four years, he prided himself on his ability to bounce back when Washington thought his Presidency was in

peril. This time the President is fighting to regain trust and credibility with the American people and some within his own base who are defecting over the Health Care Law.

On the other hand, the Medicaid expansion seems to paint a different picture across the country. 450,000 Americans have signed up for Medicaid since October 1<sup>st</sup>, especially in those states where the Medicaid expansion was initiated. About half the states in the nation have expanded Medicaid to include folks making 136% of poverty, although problems with the website are plaguing their experience as well. Meanwhile, mental health and substance abuse coverage are closer to being a sure bet under the Affordable Care Act. The administration just released final rules on coverage for mental health issues that will be part of the norm come January 1<sup>st</sup>. These requests are to be treated in a similar fashion as any other health claim.

Meanwhile, there is more fallout from the millions of insured Americans whose policies are being canceled by their carriers. The President had promised anyone who wanted to keep their insurance would be able to but millions of policies are being dropped primarily because they don't contain the 10 essential benefits required by the Health Care Law. The State of California has extended canceled policies for 100,000 residents there until a workable solution can be found.

And want to keep your brain healthier longer? Brain games and quiz shows alone won't do it, unless you are running in place while watching Jeopardy. Studies conclusively show that sweat equity is the great brain prophylactic exercise in a number of studies recently, has been proven to be the most reliable brain preserving activity, regular exercise overtime that leads to sweat and aerobic increase so off the couch with you now.

I'm Marianne O'Hare with these Health Care Headlines.

### **(Music)**

Mark Masselli: We are speaking today with Kentucky Governor Steven Beshear, a Democrat, now in his second term. Governor Beshear is an attorney who served in the Kentucky House of Representatives, also served as the state's attorney general. He was the Lieutenant Governor under Governor Collins and is the past chairman of the Southern Governors Association. Governor Beshear, welcome to Conversations on Health Care

Governor Steven Beshear: Thank you Mark.

Mark Masselli: You have been getting quite a bit of attention since you launched Kentucky's insurance exchange October 1<sup>st</sup> and you're the only governor of a southern state who chose to both setup a state-based exchange as well as expand Medicaid, and you had to do it by executive order, overriding political opposition within your own state. While the Federal Exchange has been plagued with problems that have only served to fuel the partisan debate over the Health Care Law, Kentucky's exchange called Kynect

is being held up as a national model for success. So you've seen thousands of residents who have been signing up daily and can you give us a sense of how it's going and is it meeting your expectations?

Governor Steven Beshear: Well Mark, we are very proud of what Kentucky has done with its health benefits exchange. We just had resounding success far beyond our wildest dreams quite honestly. We worked hard and I think we did the right things and when we kicked it off on October 1 at 12:01 a.m., little did we know that so far, we were going to have over 400,000 visitors to this website. I mean Kentuckians have been swarming this website. We've had over 100,000 calls on our toll free hotline into our call center. People are hungry and eager to get the information about health care. We have now enrolled over 40,000, almost 41,000 people in new affordable health coverage.

I think an interesting statistic is that in addition to individuals, 843 small businesses have started application for employee coverage. And I think that's important because as you know, a lot of misinformation is being thrown around by the critics of the Affordable Care Act and one of them is oh it's going to destroy business and lose jobs and all of these. Well we are finding that our small businesses are really getting the information and going after this because they find that it is a help. I think another interesting statistic is that 41% of our total enrollees so far are under the age of 35 and that also was one of those bugaboos that the critics tossed around oh you're not going to get the young people to sign up and therefore it's not going to work. Well it is working in Kentucky and we're excited about it.

Margaret Flinter: Well governor, it would certainly seem clear that a lot of things were done right including public education and communication and PR. And as we look at this, and I understand that the same company that created the federal exchange, CGI was actually one of the contractors on your state's side as well and obviously it sounds like you've had very different experiences. For the purpose of how we learn, what do you think some of the critical differences might have been between the design of the Kentucky exchange versus the federal exchange; what made it work so well?

Governor Steven Beshear: I think part of our success is the fact that early on when we got vendors in, we surrounded those vendors by our Medicaid people, our public health people, the folks that worked with these programs everyday and they worked hand-in-hand 24 hours a days seven days a week to design this website. They designed a simple straightforward website, we didn't have any real bells and whistles on it and we tested it thoroughly. We had the federal government in several times to test it for us and we worked those kinks out ahead of time so that when we kicked it off, we were able to hit the ground running and we had very few issues and problems. I think one of the key decisions we made that has made a big difference is the fact that we decided to allow anybody and everybody who wanted to, to go on that website and browse and get all of the information they wanted. And then at whatever point those people were ready to create an account, then they could go over and click on a button and that would take them into that process. Quite honestly, another reason that ours was successful is

we're dealing with one state's insurance laws whereas the federal exchange ended up having to deal with 36 different state insurance statutes. And of course they are dealing with 40 or 50 million people; I'm dealing with about 650,000. But I do think that that decision about opening an account and when you had to do that was critical to our success.

Mark Masselli: Well I think it was brilliant because we are a country of browsers and we like to shop around, kick the tires on things and check it out. You've gotten quite a bit of attention from your recent Op-Ed piece you wrote in New York Times and it was a great one. And you admonished detractors trying to derail the Affordable Care Act simply for political reasons, and it really struck a chord with us. We've been in the trenches, providing services to the underserved population for decades, and like you, we see this benefit of populations having access to affordable health coverage. And you say though that health care law makes sense not only from a population health standpoint but from a moral one as well and you went even so far in your Op-Ed piece to tell the opponents of the health care to get over it. So tell us a little bit about the reaction and from that point on reflection, any other thoughts that you might have for our listeners.

Governor Steven Beshear: When I look at Kentucky, our health statistics are awful, and that didn't just happen yesterday. I mean they have been awful ever since they started keeping statistics. And I knew that to really make a transformational change, we had to have some kind of transformational tool; we couldn't do it just by interest. We had to really tackle this thing and to really make huge changes. The Affordable Care Act gave me that opportunity and we seized on that opportunity. We have got 640,000 Kentuckians that don't have any affordable health coverage, and obviously, from a moral standpoint, if I could do something that would finally get those folks for the first time in Kentucky's history to have affordable health coverage and to be able to say for the first time in our history that every single Kentuckian now has access to affordable health coverage, then it was something I was going to do and that's the mission we are on.

You know, when I hear the critics complaining about this, what I want to say to them is look, those 640,000 people in Kentucky, they are not some group of aliens from a foreign planet or something; these are our friends and our neighbors. These are people we go to church with, we shop in the grocery with them, we go to the football and basketball games, sit in the bleachers on Friday night and watch our kids play ball and these are people that will make a huge difference in our state. There are people that get up everyday and roll the dice hoping and praying they don't get sick. They know that they are one bad diagnosis away from bankruptcy. And think of living with that 24 hours a day, seven days a week when you're trying to raise your family and give them the quality of life that they deserve. If we can remove that burden and we can provide affordable health coverage for everybody in this state, what a great state we are going to have in the next generation.

Mark Masselli: Amen.

Margaret Flinter: Well governor, I don't know that anybody has said it better yet, so thank you for saying it so eloquently. And you know, you just spoke really to the economics of the situation as well I know you have said that expanding coverage to over 600,000 uninsured residents in Kentucky will have most of all economic benefits. And I understand that you had Price Waterhouse and other analysts do a comprehensive audit to try and really sort of nail down what is the potential economic impact of taking these actions of expanding Medicaid, setting up the exchange. Tell us about the results of these findings and why you think so many other states didn't come to the same conclusion.

Governor Steven Beshear: Well, first of all, I think it will happen. I think that down the road, the people of those states are going to grab their politicians to make the right decision. It was an easy decision from one standpoint. It is the morally right thing to do but as a governor, I have got another part of that decision to make and that is, is it physically responsible for me to make this decision because if I make this decision and it puts us in the bankruptcy or puts us into a bad situation economically, then I've done a disservice long term to my state also. So before I made the decision, I asked Pricewaterhouse Coopers and the Urban Institute over at **UoL**, I said do an economic analysis of this for me. They came back after about six months, looked me in the eye and said, governor, you cannot afford not to do this. It will infuse about \$15 billion into your economy over the next eight years; you're going to create about 17,000 new jobs over the next eight years.

When I look at other states that aren't doing this, unfortunately I see politics standing in the way and my message to them would be the same message I'm giving to Kentucky. And so I say, look, you don't have to like the President, you don't have to like me because this is not about the President and it's not about me, it's about you, it's about your family, it's about your kids, so do me a favor, it's not going to cost you a dime to go on that website, call that telephone number or sit down with a connector and find out what's available for you and I'll guarantee you when you do that, you're going to like what you find. I've got 4.3 million people to take care of and to try to improve their quality of life and here is an historic opportunity that every state has to do exactly that and every state is going to be doing this because the people of that state are going to put the pressure on and force political leadership to step up.

Mark Masselli: We are speaking today with Kentucky Governor Steven Beshear, a Democrat now in his second term. Governor Beshear is an attorney who served in the Kentucky House of Representatives. Governor, speaking of politics, you are the only governor of a southern state expanding Medicaid in setting up an exchange but you also have two of the most vociferous opponents of Obamacare representing Kentucky in Congress, Senators Mitch McConnell and Rand Paul, both who have been actively involved in the recent government shutdown in an attempt to thwart the health care law. You recently said that the states are really where the rubber meets the road. What sort of impact has the shut down, the farm bill not being passed in the sequester cuts had on the health of your state?

Governor Steven Beshear: Well Mark, first of all, I like to say that Kentucky is one of the few places in the country where democracy apparently still works. Obviously our campaigns are like all campaigns. They're rough-and-tumble and we go at it. And so we do something unusual; we act like adults. That's really the bottom line here is--

Mark Masselli: You've got to bring that to Washington.

Governor Steven Beshear: If Washington would just look at how we are all looking at them, I mean the people of Kentucky are disgusted with what's going on in Washington, Republic and the Democrat alike. And it is time to quit acting like a bunch of spoiled children. We don't agree on everything but we also know that to move the state forward we have got to work together. The shutdown was crazy and we all know that. I think the only people who don't know it are the ones that are still in Washington DC; the rest of the country knows how nutty that was not having a farm bill and how many more years are we going to go without a farm bill. Agriculture is a huge part of our economy. These sequester cuts, all these across the board kind of thing, doesn't make any sense. Yes, we need to get our budget in balance. In Kentucky, we have to have a balanced budget and so for the last five years, I have balanced and rebalanced our budget during this worst recession of our lifetime about 12 times now. I've cut \$1.6 billion out of spending in our state, which for a small state is a lot of money. But we did it in a smart way. We set our priorities. We set education as the most important thing we do here in Kentucky and where our money ought to be invested. So we prioritized our budget balancing, and because of that, we are coming out of this recession I think a lot better off and a lot faster than lot of other states are.

Margaret Flintner: Well governor, there is another area of transformation we are curious about relative to what Kentucky is accomplishing and that's in the area of biotechnology which obviously is poised to have a powerful impact on the kind of health care that we have in the future. Now I understand the publication Fast Company ranked Kentucky 2<sup>nd</sup> in the nation in the number of startups created in the past few years and that many of those were in the biotech area so clearly some robust activity in your state. How does this all tie together with the changes under the Affordable Care Act?

Governor Steven Beshear: Well we are very proud of what we're doing economically here. As I mentioned, we are coming out of this recession I think a lot faster than a lot of other places. In addition to the facts that you mentioned about for being 2<sup>nd</sup> in the nation in the number of startups created in the past few years, last year we were 2<sup>nd</sup> in job growth rate in the country also and we've had record exports for last year and now we're going to exceed that for this year. So part of that Margaret is you have to have an educated workforce. And so we've made a priority of education reform in Kentucky and I'm happy to say that in that area also we are setting the mark of excellence across this country. We were the first state to adopt the Common Core Academic Standards. We are the second state to adopt the Next Generation National Science Standards. We just raised our dropout age from 16 to 18 here in Kentucky. So we are really on the move in educating our people. And that all comes down to what's going to happen in the future here because as much as companies that we talk and try to attract to Kentucky want tax

incentives and infrastructure and roads and all of these things, their priority, 99 out of 100 CEOs tell me that their biggest priority is an educated workforce; I've got to have an educated workforce.

And so that's what we're working on. And you know what, if you have got an educated workforce but they are homesick all the time, or they are home with their kids because they are sick and they can't take them to the doctor, if they don't get the prevention and wellness benefits out of affordable health coverage, then they're not a productive workforce. Your business folks, the smart ones, and that's most of them, know that the bottom line is a productive workforce and they know that you can't have that unless you have a healthy workforce. So it's been exciting to see what I think we are going to do because of the Affordable Care Act in developing that healthier workforce which is just going to help us to attract more biotech firms, it's going to help us to attract firms of every kind and character because we're going to have the kind of workforce they are looking for.

Mark Masselli: Governor, another emerging area in health innovation is really in the health information technology area. We've seen a huge push in promoting the expansion of health IT. We have had many folks on from around the country talking about the investments they've made under the HITECH Act and while we still have a long way to go, you have made it clear the Affordable Care Act is going to have a huge impact and you've talked about that today very eloquently on the overall health ranking for your state by improving access. But what role does health IT play in your long term goals for Kentucky and what vision do you have for a connected health IT system linking various health entities in your state?

Governor Steven Beshear: It's going to play a very big role I think in the future of health care in Kentucky. And we are being very aggressive in eHealth initiatives. We created legislation to create an eHealth network and at that time, only a handful of providers were storing health information electronically. But we've pushed the development of that and hundreds of hospitals, physician practices, optometrists, labs, other medical facilities are now members of what we call the Kentucky Health Information Exchange. We currently have about 400 providers live on that health information exchange and another 450 in the process of connecting or sign to user agreement, establishing some kind of formal relationship between the facility and the Commonwealth of Kentucky. So we see the health information system and initiatives as an integral part of the future of successful and affordable health care in the Commonwealth.

Margaret Flinter: We've been speaking today with Kentucky Governor Steven Beshear. To learn more about the Kentucky health exchange and how it's working, you can go to [kynect.ky.gov](http://kynect.ky.gov) and you can learn more about the governor's administration by going to [governor.ky.gov](http://governor.ky.gov). Governor Beshear, thank you so much for joining us on Conversations on Health Care today.

Governor Steven Beshear: Mark, Margaret, thank you all very much for having me.



Mark Masselli: At Conversations on Health Care, we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and managing editor of FactCheck.org, a nonpartisan, nonprofit consumer advocate for voters that aim to reduce the level of deception in US politics. Lori, what have you got for us this week?

Lori Robertson: Well President Obama has faced criticism recently for promising if you like your health care plan you can keep your health care plan. But we've been saying for years that he can't make that promise to everyone. Reality is catching up to his political spin. Several recent news reports have focused on Americans who purchased their own insurance on the individual market and who have received cancellation letters for their plans. The insurers say the plans won't meet the Essential Benefits Standards required by the Affordable Care Act. That includes prescription drug coverage, maternity care, mental health benefits and more. These individual market plans will cover more but at higher premiums. About 15 million Americans or 5% of the population buy insurance on this market. Plans purchased before the law was passed could be grandfathered in and therefore not subject to these new requirements but they can't change significantly or they are no longer grandfathered. We've said the President can't make that promise to those with comprehensive employer-sponsored coverage either. We first heard about Obama's claim in August 2009 when the law was still being debated. We cited an analysis by the nonpartisan Congressional Budget Office that estimated 3 million people with employer plans wouldn't be offered coverage. Some employers may send low wage workers on to the exchanges for insurance rather than continuing to provide it themselves. Trader Joe's recently announced that's what it would do, sending part-time workers to the exchanges along with \$500 to help them buy coverage. And that's my fact check for this week. I'm Lori Robertson, managing editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's major political players and is a project of the Annenberg Public Policy Center at the University of Pennsylvania. If you have a fact, that you would like checked, email us at [www.chcradio.com](mailto:www.chcradio.com). We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

### **(Music)**

Margaret Flinter: Each week Conversations highlights a bright idea about how to make wellness a part of our communities and everyday lives. Right now, there are about 3.5 million people living in refugee camps around the world. Whether displaced by wars or natural disasters, the plight of these people is often the same, living in squalid conditions, in tent cities that provide little protection from harsh elements and these conditions pose serious threats to their health and well-being. The IKEA Foundation has taken the parent company's widely successful Do-It-Yourself approach to home furnishings and applied it to the problem of inadequate housing for displaced refugees. They've created a do-it-yourself dwelling that can be shipped and assembled anywhere.

Jonathan Spampinato: So first and foremost, there is the very well-known flat-pack approach that IKEA has pioneered and secondly, the materials and the product itself. So it's a shelter, it's not a tent.

Margaret Flinter: Jonathan Spampinato is the Head of Communications and Strategic Planning at the IKEA Foundation. They are working closely with United Nations organizations working on the ground, trying to assist refugees in Somalia and other parts of the world.

Jonathan Spampinato: We extended that to also include funding for an innovation unit within the UNHCR so they could think more long term. So providing that funding allowed them to start refugee housing shelter, looking at how to design a better shelter.

Margaret Flinter: And since on average, a person is likely to spend up to 12 years in a refugee camp, these IKEA structures have some unique properties that can make the experience more bearable.

Jonathan Spampinato: The walls and the roofs are made out of a new fancy version of basically a plastic material that is much more durable but very, very lightweight and still is insulated.

Margaret Flinter: The IKEA Foundation currently has prototypes being tested in various refugees camps and will scale up production once refinements are made. And true to IKEA, the price point is going to come in under \$1000 per structure. A deliverable, affordable do-it-yourself dwelling that can provide some sense of dignity, privacy and protection for families who are struggling as refugees, now that's a bright idea.

### **(Music)**

Margaret Flinter: This is Conversations on Health Care. I'm Margaret Flinter.

Mark Masselli: And I'm Mark Masselli, peace and Health.

Conversations on Health Care, broadcast from the campus of WESU at Wesleyan University, streaming live at [www.wesufm.org](http://www.wesufm.org) and brought to you by the Community Health Center.