

Health Care from a Policy Perspective

Representative Hugh Holliman

Our ideas about health have evolved relatively quickly over the past few decades. Our workforce, once engaged primarily in agriculture and then factory work, now sits behind a desk, resulting in a steep decline in physical activity during the majority of our day. Science has broken down the components of our food and found that some foods contain unhealthy levels of fat, cholesterol, and sodium. In other cases, added ingredients such as trans fats, dyes, or preservatives pose their own health threats. Smoking, once widely accepted, has been found to clog our bodies with tar and nicotine and is regarded as a cause or contributing factor in many types of cancer and other diseases.

Changes in our lifestyles, along with advances in science, have forced us to think about our bodies and our health differently than many of us did just 20 years ago. We can no longer take exercise for granted; we have to plan for it and make it part of our routine in a way that perhaps we didn't have to before. We also have to monitor more closely what we put into our bodies. Not all food is created equal. Tobacco use is not a harmless habit.

In the North Carolina General Assembly, we have a great deal of sway over what happens in public places and places that are state regulated, such as nursing homes, schools, and daycare centers. We also set budgets for the state's Department of Health and Human Services and the Medicaid program. These duties, granted to us by the voters of this state, give us a powerful platform in the public health debate.

This past legislative session, the General Assembly showed its determination to use this platform wisely when it approved landmark legislation that I sponsored to ban smoking in restaurants and bars. This is a law that rightly protects both workers and patrons of these businesses from the proven dangers of secondhand smoke.

While this is not strictly a financial decision, it does make financial sense, as many preventive health measures do. Less exposure to cigarette smoke reduces the chance for smoking-related illnesses and increases the chance

that some people will give up the habit. This would help drive down their personal health costs as well as our state's overall spending on health care.

An example of this is our recent decision to include a wellness provision in the State Health Plan legislation (SB 287). Some people question the wisdom of this decision, but I believe it gives people a strong incentive to stop smoking or to lose weight. The move is coupled with incentives including the State Health Plan sponsored exercise and diet sessions, free nicotine patches, and weight loss drug assistance. As

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As a result of the wellness provision, people will have to make a conscious choice about their health. Those who choose to continue living unhealthy lifestyles will pay more to help offset their higher health care costs for others.

The State Health Plan's costs related to smoking and obesity are substantial. Sixty percent of the 661,000 people covered by the State Health Plan are overweight or obese. Each obese person costs the state, on average, \$1,000 more per year than a person of healthy weight. Smokers cost nearly \$2,700 more per year than nonsmokers, and it is only fair that they bear some of the costs of their behavior.

Over the past several years, we have also made other innovative changes in insurance policy that we believe will enhance preventive efforts.

In 2007, we created an insurance program for high-risk patients who had been denied coverage or asked to pay

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premiums they couldn't afford because of pre-existing conditions or other aspects of their medical histories. This plan has a cap on premiums, making the insurance affordable for thousands of additional people. The plan also increases the chance that these people will seek care earlier instead of allowing their health to deteriorate to the point that they require expensive treatments or long-term hospitalizations.

The state also passed a mental health parity law in 2007 that requires an insurer to provide the same level of coverage for certain psychiatric diagnoses as it provides for physical ailments. Again, making mental health coverage more affordable and accessible increases the probability for early intervention and ongoing care and treatment. Increased access to ongoing treatment, resulting from insurance parity, should improve individual patient outcomes and quality of life.

These changes in law and policy provide some insight into how the General Assembly has shifted its approach to health care as we have learned more. One of the great driving forces in this shift is the North Carolina Health and Wellness Trust Fund. This fund was the result of visionary legislation approved by the General Assembly in 2000 and receives one-fourth of the state's share of hundreds of millions of dollars paid out as part of the national settlement with tobacco companies. So far, the fund has invested nearly \$200 million to support preventive health initiatives and an additional \$100 million for prescription drug assistance programs that help people better manage their diseases.

This money also pays for the popular TRU (Tobacco. Reality. Unfiltered.) campaign, tobacco-free initiatives at schools and colleges, a program to encourage expectant mothers to stop smoking, a toll-free hotline that connects smokers to a mentor trained to help them quit (QuitlineNC), and fitness initiatives to help children and adults lose weight. The program has been a tremendous asset to our state, helping to cut the number of teen smokers in the state by 34,000 in the past five years, even as our population continues to increase. That is remarkable, and I suspect that the Trust Fund's work will pay off in the future as more of our citizens live longer and healthier lives.

In addition to this, we continue to invest directly in other preventive programs. These programs include efforts to help people at risk of stroke, heart disease, or diabetes;

screenings for breast and cervical cancer; and extra money to support the local health centers and health departments that see many of our state's uninsured patients. We also spent money to help expectant mothers and to try to prevent neural tube birth defects. We added 20 more school nurses statewide to bring that number now to more than 230 so that they can help carry out our public health mission in the schools. We also appropriated money to add more than 9,000 uninsured children this year to NC Health Choice, the state's children's health insurance plan.

This isn't an exhaustive inventory. There are many ways we try to reach the people who need health care, but there is still more work that needs to be done. Cost limits us in many ways and the ever-rising cost of Medicaid exhausts more and more of the discretionary money that we may otherwise invest in health programs. Medicaid expenses account for nearly 20% of the state's total budget for the current fiscal year.

In the years ahead, I believe obesity will play an increasingly central role in health policy. Dealing with obesity requires us to find more holistic approaches to change people's lifestyles. We have to persuade them to change their dietary habits and increase their level of physical activity. Those are hard messages to sell to children and teenagers who often do not understand long-term consequences. It can be an even harder sell to adults, who are often confronted with a myriad of other problems associated with daily living. The key element in this battle, though, will be in developing good habits in our children that they bring forward into adulthood.

I also expect to continue working for a comprehensive ban on workplace smoking in this state. While many employers have voluntarily banned smoking, many more continue to allow this dangerous practice. It is fundamentally unfair for nonsmokers to have to choose between their health and their livelihood, and I believe this state should put a stop to it as many other states already have.

Smoking regulations cost little and generate much in health care savings. Those of us in the General Assembly need to continue to emphasize this point, and we need to enlist others who support preventive health measures to do the same. Health maintenance and prevention efforts can lead to longer and more productive lives as well as substantial savings in public and personal financial resources. **NCMJ**