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Official: Health care reform here to stay

President of Regence BlueShield of Idaho offers his assessment during appearance in Clarkston Thursday

The president of a major health insurance provider says health care reform is here to stay, but whether it will actually cut costs could depend more on individual choice than federal mandates. Scott Kreiling, president of Regence BlueShield of Idaho, spoke to about 80 people during a Valley Vision luncheon at the Clarkston Quality Inn Thursday.

Regence was founded in Pierce County, Wash., in 1917, when miners and loggers banded together to create the first prepaid health plan in the nation. It now covers more than 2.5 million people in Idaho, Washington, Utah and Oregon, making it the largest health insurance provider in the region. The company employs more than 650 people in Lewiston.

The good news about health care reform, Kreiling said, is it puts more people under the insurance umbrella. That means they can access the system before they need to visit an emergency room, so the care will be cheaper and more timely. Expanding the number of insured individuals and eliminating or reducing the need for expensive charity care is one of the basic arguments for health care reform.

The problem, Kreiling said, is the federal bill focuses more on insurance reform than on innovations that can actually reduce demand for health care services. For example, it prohibits insurers from denying coverage based on pre-existing conditions, but offers little in terms of incentives, education or wellness programs that encourage people to lead healthier lifestyles.

"Insurance reform isn't health care reform," Kreiling said, showing a graph that indicated insurance costs represent less than 10 percent of overall health care expenditures, compared to 37 percent for hospitals, 26 percent for physicians and 17 percent for prescription drugs.

"I think reform needed to happen," he said. "We need everyone to be part of the health care system. So I don't think federal health care reform will be repealed, (although) some parts of it that don't address costs might be."

Americans, however, have to take personal responsibility for fixing health care, he said. That means making healthier lifestyle choices - the frequent exercise and better nutrition that everyone knows about, but not everyone follows. As a corporation, Kreiling said, Regence is investing more time and money on wellness programs for its employees. Since 2005, participation in the programs has almost doubled, with 70 percent of the work force now taking part. The result, he said, is that productivity has improved.

"About 20 percent of our employees had less unplanned days off, and disability claims are down about 38 percent," Kreiling said. Regence members have access to the same programs through the www.myregence.com Web site. There's a rewards program where members can earn gift certificates for completing various tasks. The site also offers information about different health topics and allows people to estimate treatment costs and compare hospital statistics, so they can take a more active role in managing their own health decisions.