
# A Call to Action: The State of Tennessee Healthcare

## Understanding Where We Are Can Help Drive Our Vision for the Future

**TENNESSEEE HEALTHCARE: PART 4**

TwelveStone HEALTH PARTNERS™

**True, lasting change can only occur when informed by a clear, honest assessment of the present. For the state of Tennessee, that assessment is at hand and it is time to move forward. A recent study conducted by the office of Tennessee State Senator Shane Reeves reveals the state is now among the bottom 10 states for life expectancy in the U.S.[1] The Reeves Report is a culmination of extensive research by the Senator and his team, and covers the areas of finance, business, education and family, in addition to healthcare.[2] While the focus of this paper is healthcare, it cannot be overemphasized that each category included in the research has an impact on others. In some cases, the answer to improving one category begins within another. All must be addressed to make sustained progress to a healthier future.**

TN State District 14

Shane Reeves, PharmD
State Senator, District 14 and
Chief Executive Officer, TwelveStone Health Partners

## The Scorecard*

Below is a high-level breakdown of research results for 12 of the top healthcare categories studied. Of the 12 categories outlined below, four stand out as opportunities for making impactful changes to the group as a whole.

### Of all 50 states, Tennessee ranked:

| | |
|---|---|
| **49th** | Opioid prescriptions per capita[3] |
| **47th** | Stroke death rate[4] |
| **47th** | Adult smoking rate[5] |
| **46th** | Lung cancer death rate[6] |
| **45th** | Diabetes rate[7] |
| **43th** | COPD death rate[8] |
| **43th** | Life expectancy[9] |
| **42th** | Heart disease death rate[10] |
| **41th** | Infant mortality rate[11] |
| **38th** | Percentage of people without health insurance[12] |
| **38th** | Per capita healthcare spending, including Medicare, Medicaid, and private insurance (out-of-pocket payments was 13th lowest)[13] |
| **35th** | Adult obesity rate[14] |

## Smoking

One of the most significant of those opportunities is smoking, which is estimated to cause one in every five deaths in the U.S. each year and for which mortality is three times greater than those who have never smoked.[15] Smoking increases the chance of stroke and heart disease by four times and the risk of lung cancer by 25%.[16] Tennessee ranks 47th, 42nd, and 46th respectively in those areas. Smoking is also one of the leading factors in COPD for which Tennessee ranks 43rd. This means decreasing the smoking rates in Tennessee could significantly decrease four of the leading causes of death in our state: stroke, lung cancer, COPD, and heart disease. This, in turn, would lead to better life expectancy, for which Tennessee ranks 43rd.

One option brought before the state senate is legislation to increase the age for smoking and vaping to 21 as opposed to 18 as it is today. According to The Campaign for Tobacco-Free Kids, 95% of adult smokers start before they are 21, with 350 new children taking up smoking every day—one in three of which will eventually die from the habit.[17] It is estimated that raising the age of smoking can prevent 4.2 million years lost to smoking related deaths.[18]

## The Cost of Smoking to the State of Tennessee

*Source: tobacco21.org*

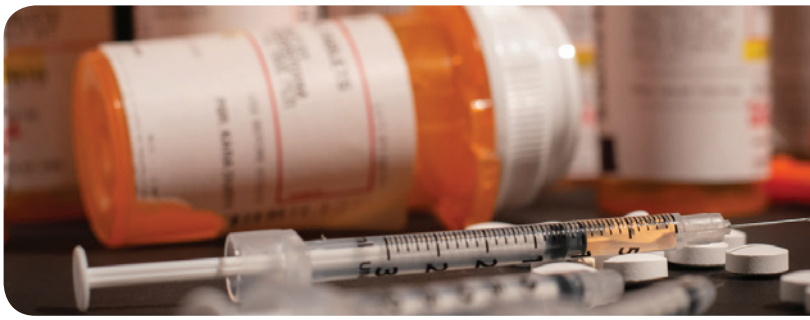
- Smoking costs Tennessee **$2.67 billion** annually in smoking-related healthcare costs and **$3.59 billion** in lost productivity.
- Tennessee spends just **10.2%** of the CDC's recommended amount on smoking prevention.
- If current smoking rates continue, an estimated **125,000** Tennessee children will eventually die from smoking.
- TennCare could save **$150 million** annually in reduced tobacco-related illnesses with age-limit legislation.

**"I think this one issue, if we can communicate it well, can save the most lives. There is really no question that is the case."**

**Bill Frist**
Former Tennessee Senator and renowned heart and lung transplant surgeon
*Nashville Health*[19]

As of today, 12 states and more than 450 localities have raised the age to purchase tobacco products to 21.[21] Tennessee is not one of those states. While Senate Bill 1200 did not receive the needed votes to pass, Senator Reeves says the move is getting increasing support and he expects the bill will eventually pass. In a 2019 legislative survey conducted by Reeves, more than 71% of Tennesseans said they would support the effort, and more than 50% of smokers are supportive of increasing the age to 21.[21] Even the vaping industry recognizes the issue with teen vaping and is making efforts to reduce teen use. Juul has posted a statement on its website saying "We don't want anyone who doesn't smoke, or already use nicotine, to use Juul products. We certainly don't want youth using the product. It is bad for public health, and it is bad for our mission."[22]

One hold-back according to Senator Reeves is the fear of losing tax dollars on tobacco products currently purchased by those under 21. "What they fail to see is the substantial money that could be saved in the form of fewer tobacco-related illnesses and increased workforce productivity that are currently a drain on the budgets of not only our state, but of our businesses as well," said Reeves. "Those are funds that could be reappointed to healthy community initiatives, education, and job creation."



## Opioids

According to the CDC, Tennessee ranks second among all states in the number of opioid prescriptions written, enough to give every man, woman and child in our state a prescription each year, with one million prescriptions left over.[23, 24] Almost 82% of Tennesseans surveyed say opiate addiction is a moderate or big problem in their community.

But the state is making progress. A bill was passed in April of 2018 named "Tennessee Together" that restricts opioid prescriptions for "first-time and temporary uses."[25] The goal of the legislation was to prevent opioid addiction at the source. Another bill was passed that requires providers to assign an ICD-10 code to each opioid prescription written for more than three days. This allows lawmakers to track and analyze where, how, why and from whom patients are receiving prescriptions. The goal of having this information is to help identify underlying issues, such as problematic treatment protocols or providers overprescribing opioids.

While the current legislation is a step in the right direction, there were unintended consequences that needed to be addressed. The three-day limit on opioid prescriptions made it more difficult for patients with legitimate need for these medications to get it. For example, elderly patients who have had knee, hip and shoulder replacements have significantly limited mobility

after surgery—sometimes for months. The new legislation meant these patients would need to go to the pharmacy every three days to pick up their medicine. In this way, the legislation actually became a barrier to care for those who needed it most. Although doctors were allowed to write longer scripts, it required a significant amount of additional paperwork and coding, so most just followed the three-day route.

To remove this roadblock and others, Senator Reeves proposed a new bill that addressed the previous legislation's limitations while expanding prevention efforts. Senate Bill 810 was passed, giving doctors the option to do three, ten or 30-day prescriptions for patients who legitimately require medication such as terminal patients on palliative care or burn patients.

**Additional amendments to the bill include:**

- Giving peer review committees at hospitals and medical group practices access to reports from the state's Controlled Substance Monitoring Database so they can better monitor and improve their internal prescribing practice
- Including all controlled substances in Tennessee electronic prescribing requirements set to take effect in 2020 to be consistent with federal e-prescribing regulations
- Authorizing prescribers and patients to voluntarily request partial fills of opioid prescriptions for patients while encouraging providers to write for the lowest effective amount
- Defining the palliative care exemption so patients with terminal illnesses can have full access to effective pain management

Another bill on the same topic included mandates that help inmates receive substance abuse treatment so that when they are released—as most are—they will be less likely to return to a life of addiction and crime. Other bills passed during this past session provide more resources to law enforcement to help them increase efforts to get illegal drugs off the streets, especially in those hard-hit areas battling the use of heroin.

More work needs to be done to drive down opioid use in Tennessee beyond prescription legislation. Other factors that impact addiction include access to appropriate healthcare—another area where the state lags behind.


## Lack of Health Insurance

The U.S. Census Bureau estimates that in 2017 more than 28.5 million Americans were without health insurance.[26] In Tennessee, just over 11% of the population were uninsured, or 706,902 individuals.[27] With the future of the Affordable Care Act in question, there is debate as to whether the number of uninsured will rise or fall. What is certain is that the current cost of healthcare is too high for many Tennesseans.

There are many factors implicated in being uninsured, including education. Approximately 65.6% of those without health insurance in Tennessee have only a high school diploma or did not graduate at all. Those with a bachelor's degree or higher are least likely to be uninsured (10.2%). Occupation is another factor. The largest percentage of those who are employed and uninsured are in a services field (28.7%). A third factor is income. Tennesseans earning $24,999 or less make up 68.4% of the uninsured. Clearly, education, occupation, and income are closely related and have a significant impact on access to care. Of all three then, education has the greatest opportunity to move the needle.[28]

There are initiatives underway to find a safety net for the uninsured across the country. One program gaining attention is Medicaid buy-in where people pay premiums to "buy in" to the federal Medicaid program. The amount a person would pay

would be based on income level and not all would have access to the complete range of benefits traditional participants have.[29]

There are currently ten states seriously considering a buy-in program, many of which have implemented studies to determine feasibility for their particular state's needs. While early polling indicates voters would support such a program, many questions still remain. These include whether the federal government would approve the program, who would be eligible, what benefits would be included, who would administrate the plan, and whether plans would be available on existing ACA exchanges. There are also concerns about the impact on providers, who would likely be paid at rates even lower than with the current program. And while most agree these programs could increase competition and reduce costs, major insurance organizations are already pushing back.

As preliminary studies are completed, states will have greater insight into the potential opportunities a buy-in program could have for their uninsured populations. Senator Reeves is keeping a watchful eye on the actions of other states to determine the feasibility for Tennessee.

## Per Capita Healthcare Spending

Nationally, per capita spending on healthcare in 2016 was $10,348, or a total of $3.3 trillion overall.[30] Access to affordable healthcare, regardless of education, occupation or income level, is greatly dependent on funding at the national level. However, there are things we can—and are—doing at the state level.

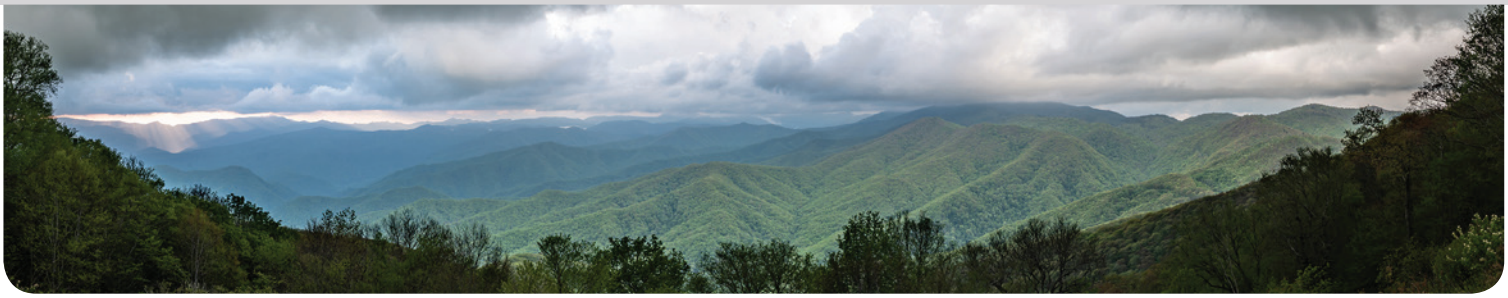
Many states, Tennessee included, have asked the federal government for more flexibility in their Medicaid programs through block grants that impose rules through the Affordable Care Act. In the survey conducted by Senator Reeves, nearly 66% of Tennesseans surveyed believed this was a viable solution to help improve access to care. As of this past legislative session, a bill was passed that gives Governor Bill Lee the ability to start negotiations with Washington to secure a

waiver for a Medicaid block grant. If approved then this block grant will provide Tennessee with $8 billion dollars of funding from the federal government coupled with Tennessee's $4 billion dollars totals $12 billion.

While the grant addresses the state's lack of funds, it comes with significant limitations in how the grant can be used. This lack of flexibility makes it more challenging to ensure all areas in need receive the appropriate support. In response, the state's commissioner of finance and administration, Stuart McWherter, is leading a healthcare taskforce beginning in 2019.

As we move to increase access to care and to drive down costs, we must be mindful of the provider-patient relationship and its impact on quality outcomes. For example, Pharmacy Benefit Administrators (PBMs) provide great savings on the cost of prescription medications overall. However, the use of PBMs should not negate the relationship patients might already have with their local pharmacist. In many cases, local pharmacists care for multiple members of a patient's family and have insight into that patient's care situation—insight that can have a significant impact on the patient's health. A local pharmacist might call a patient to follow up on a new medication and to answer questions or concerns. Those types of interactions do not happen when a patient receives medications in the mail.

Today, legislation (Senate Bill 650) has been introduced to help ensure patients can still get their prescriptions at their local pharmacy without having to pay more than they would using a PBM. As a pharmacist for 25 years Reeves was thrilled to have a role in addressing this issue, to tear down walls to give patients access to local pharmacists.



## A Vision for the Future

Healthcare across the country is a top concern of lawmakers and citizens alike—as well it should be. The health of a population has a significant impact on the economic health of a state and the country. The economic impact of chronic disease and illness was estimated at a 7.7% loss in GDP for the U.S. in 2015. This includes absenteeism, early retirement due to illness, or workers who show up to work but are unable to fulfill their job duties due to illness. The negative impact on income tax revenue, as well as the cost of disability, means less money to fund community health initiatives or to provide added services. It can be a downward spiral. So while the most important goal is to improve the length and quality of life for all Tennesseans, it is also essential for the long-term economic health of the state.

While Washington D.C., is stuck in a quagmire around how to improve healthcare, states cannot afford to wait. We must take care of our citizens' existing needs while paving a path toward a healthier future. Now that we understand where we are, it is time to take action.

Of 33 bills introduced by Reeves, 17 were healthcare related. We have a chance to change the game by giving healthcare professionals a seat at the table. People care about three things: access, affordability, and effectiveness. If we can accomplish these things, we can change the report card. We have to change it. Access, primary care and pharmacies need a local face. Urgent care should offer the best care and be available to everyone. And we must address underlying behavioral issues that accompany unhealthy lifestyles in order to create true long-term change.

The challenge at hand is arduous but we must remain diligent to win the battle and achieve a positive return on our healthcare investments.

*For consistency, the rankings have been structured so that a lower-numbered ranking (e.g. 1st) always represents a preferable outcome as compared to a higher-numbered ranking (e.g. 50th). For example, for "Heart Disease Death Rate", the most desirable ranking is 1st, which would represent the lowest death rate from heart disease. Similarly, for "Cost of Living", the most desirable ranking is 1st, which would represent the lowest cost of living among the 50 states. All rankings reflect the most recent data available as of the publication of this Scorecard. Scorecard compiled by Wade Thompson under the direction of Senator Shane Reeves

### Sources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