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Can North Carolina lead the way to controlling health costs?

AT THE PROGRESSIVE PULSE:

[NC wishes we had UK's problems](#): Handwringing over UK inequalities highlights NC's even worse problems – and we spend more money too.

From [NC Policy Watch today](#):

By Adam Searing

It's called "Prodisc." An artificial medical device designed to replace a damaged disc in the spine, Prodisc is now causing even more pain for its manufacturer, some cheerleading doctors and unlucky patients. First there was Medicare's decision not to cover the device based on new studies showing that it doesn't work. Then subpoenas were issued last month to doctors involved in the research that was pivotal to the initial approval of Prodisc. It turns out many of them had invested substantial amounts of money in the company making the device and stood to profit if it became widely used.

Then the research finally started to come in. Prodisc didn't work and could be dangerous, causing even more problems for many patients. Suddenly Prodisc was on its way to joining procedures like lumbar fusion for back pain or insertion of stents into arteries to deal with chest pain – a massively expensive medical device or procedure that should never have been approved as a treatment.

It's overuse of these sorts of ineffective devices and procedures that's the major driver of costs in our health system. Couple this with the constant barrage of new drug ads for ailments many of us didn't even know we had – like "restless leg syndrome" – and you know why your health premiums went through the roof yet again this year.

The respected director of the Congressional Budget Office summed the issue up last month in testimony to lawmakers struggling with how to control skyrocketing health costs for their constituents: "Most analysts agree that the most important factor driving the long-term growth of health care costs has been the emergence, adoption, and widespread diffusion of new medical technologies and services...."

Because there is an entire industry making enormous amounts of money selling these new technologies and services, any proposed change to rein in costs is sure to provoke well-financed howls of protest. However, if we want to get

serious about controlling health spending, especially in the long term, change is exactly what we must do.

The key question is how to figure out which medical advances are worth paying for and which are simply a waste of money. And we need to do this long before we start paying through the nose for such procedures and gadgets.

Thankfully, North Carolina is uniquely positioned to become a national leader in this effort. Between UNC, Duke University, the East Carolina School of Medicine, and Charlotte's major medical centers, there are enormous medical research facilities available in the state. Combine these academic resources with over fifty years of top-quality medical research and development in Research Triangle Park, and you have a potentially unbeatable combination to tackle the health cost crisis.

What's missing? A push from our state government – much like the liftoff for the Research Triangle in the last century – could be the impetus for a new North Carolina Institute for Health Care Quality, Cost and Research. The Institute would collect, fund, and disseminate high quality, *independent* research on the effectiveness of new medical devices and procedures as compared to older treatments. Federal and state governments could pool their resources to fund operations and should be willing to do so, given the enormous budget savings that would come from preventing even one billion-dollar medical device mistake from coming to market. Bipartisan support from our state's entire Congressional delegation could go a long way to securing federal support and funding to get the ball rolling.

HELP STOP FEDERAL GOVT FROM CUTTING HEALTH CARE TO NC: [Action for Children](#) is asking organizations to sign on to a letter to the N.C. Congressional delegation calling on them to support stopping the Bush Administration cutting millions from NC Medicaid. Let **Mandy Ableidinger** at Action for Children know if your organization wants to endorse this letter. For copies and more information contact Mandy@ncchild.org or 919-834-6623 x233.

HEALTH ACCESS COALITION MEETING: On Monday, March 17th from 10:00 AM to 11:30 PM, the Health Access Coalition will hold a meeting at the [NC Partnership for Children building](#) in Raleigh. We will be taking care of administrative business, discussing our health coverage for everyone expansion proposal, dealing with other issues for 2008 and developing strategy. RSVP to Nicole Dozier (nicole@ncjustice.org) if you would like to come.

* Looking for great analysis of what's happening in Washington regarding health and other policy areas? The respected [Center on Budget and Policy Priorities](#) can help. Focused on kids? Try the well-known [Georgetown University Center for Children and Families](#) for excellent information. Finally, FamiliesUSA has a [State Expansions Resource Center](#) that shows reform progress across the country.

- * Adam blogs on state politics and healthcare at [The Progressive Pulse](#).
- * Looking for past NC Health Reports? Check out the [NC Health Report Archive](#).

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