Healthcare workforce growing as overall unemployment rises

While the rest of the economy posted rates of joblessness not seen since 1993, healthcare continued to expand its workforce in December 2008, adding 31,600 positions in a month in which the overall American workforce shrank by 534,000 jobs. "The only major private industry sector that continued to add a significant number of jobs was healthcare," said Keith Hall, commissioner of the Bureau of Labor Statistics, in a written statement. Since September 2008, the national nonfarm economy lost 1.9 million jobs, while healthcare added 93,200 jobs, according to the seasonally adjusted statistics. Overall in 2008, the healthcare workforce grew by 2.8%, ending the year with 371,600 more jobs than the year before. Hospitals added 11,900 workers in December to bring the total hospital workforce to about 4.71 million, while physician's offices added 5,600 workers to bring the workforce to about 2.3 million. The one area in healthcare that lost jobs in December was outpatient-care centers, where 1,100 jobs vanished, down 0.2% for the month. But outpatient centers ended 2008 with a workforce of 521,700—1.7% more than the year before.

MedPAC seeks pay hikes for hospital services in 2010 ...

The Medicare Payment Advisory Commission recommended increasing payment rates for inpatient and outpatient hospital services at the full rate of inflation in 2010 concurrent with the implementation of a quality incentives program. MedPAC's recommendation didn't provide a specific increase for hospitals, although the projected marketbasket update in 2010 for hospitals is expected to be 2.7%, according to MedPAC staff. All of the commission's payment update recommendations for 2010 are scheduled to appear in MedPAC's March report to Congress. Commission Chairman Glenn Hackbarth clarified that the payment recommendation "reflects the full marketbasket update minus what goes into pay-for-performance." In other words, hospitals will have to perform well on quality measures to get the full update, he said. MedPAC recommended reducing the indirect medical education adjustment by 1 percentage point to help finance the quality incentives program for hospitals. According to MedPAC staff, this adjustment would provide roughly $1 billion for pay-for-performance measures.

... and a 1.1% payment update for physician services

Nonhospital providers also were targeted by the Medicare Payment Advisory Commission. The commission called on Congress to update payments for physician services by 1.1% in 2010, and approved language that would essentially redistribute relative value units for expensive imaging services to other physician services under Medicare. The commission recommended that Congress reduce home health payments by 5.5% in 2010. Congress in the meantime should call on HHS to evaluate the need for beneficiary protections under home health services, such as outcomes-based quality measures and risk-sharing, according to MedPAC. For other services, MedPAC recommended freezing payments for skilled-nursing facilities and inpatient-rehabilitation facilities in 2010, while offering a 1% update for dialysis services. Long-term acute-care facilities should get an increase of 1.6% next year, the commission recommended.

Stark, Dingell bills cited as showing promise for access

While close to a dozen bills introduced during the previous legislative session aim to shrink the number of uninsured Americans, only a handful of them would come close to doing so, according to an independent analysis sponsored by the Commonwealth Fund and conducted by the Lewin Group. If combined, bills by Rep. Pete Stark (D-Calif.), who aims to ensure coverage for children; and Rep. John Dingell (D-Mich.) and Sen. Edward Kennedy (D-Mass.), who seek a "Medicare for all" type system, would cover the projected 48.9 million uninsured Americans by 2010, according to the report. Several other bills, including two from Democrats—Oregon Sen. Ron Wyden's Healthy Americans Act and Montana Sen. Max Baucus' recently released legislative reform package—would make a significant dent in the number of uninsured. Proposals by Sens. Mike Enzi (R-Wyo.) and Richard Burr (R-N.C.) are also cited in the report as bills that could also make a significant dent in the number of uninsured.

SCHIP reauthorization vote could come this week, Dems say

Moves to reauthorize the State Children's Health Insurance Program could take place as early as this week, Democratic healthcare leaders claim. SCHIP reauthorization is part of the House's agenda, and should become law in the near future, House Majority Leader Steny Hoyer (D-Md.) indicated in news reports. A temporary extension of the $25 billion program will expire on March 31. "It's a positive signal that the Congress and the new administration are going to make children's health one of its first priorities," said House Chief Deputy Whip Diana DeGette (D-Colo.), who is vice chairwoman of the House Energy and Commerce Committee.

DeGette

CORRECTIONS & CLARIFICATIONS

- In the "By the Numbers" supplement, Dec. 22, 2008, p. 42, Scottsdale (Ariz.) Healthcare should not have been included in the ranking of largest for-profit hospital chains. The organization is a not-for-profit system. The information was provided by Thomson Reuters.

- Also, in the "By the Numbers" supplement, p. 88, "Health expenditures per capita" should have been stated as actual figures instead of in thousands.

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