



Jane McCaleb, a doctor in Jackson, N.C., thinks the Clinton Administration's health-care reform package will bring mixed blessings to rural communities.

GOVERNMENT

Reforming Health Care

For better or worse, Government is considering major changes in health-care coverage.

In Progressive Farmer's annual survey, health insurance ranked as the No. 1 concern among our readers. For many farm families and ranchers, how to fund health care has long been a topic of discussion. President Clinton's recent proposal for health care reform has brought the issue to kitchen tables in homes all across America.

Some major points of the plan that could affect rural people include:

- An increase from 25 to 100% in the tax deduction for health-care costs of self-employed people.
- Promoting primary-care education of medical students.

- A reduction in medicare and medicaid fees paid to hospitals.
- Pushing the purchase of plans through large regional alliances.
- Requiring employers who have fewer than 50 employees to provide health-insurance coverage.

Asel and Elaine Rish of Snipesville, Ga., were pulled into the fray of the health-care debacle when their 12-year-old son almost died in a tobacco trailer mishap. Brandon's care racked up a bill of about \$325,000.

Unlike many farm families, the Rishes were heavily insured. Still, the family ended up paying \$20,000 in out-of-pocket expenses, \$6,500 of

which was paid by friends and family. And getting their insurance company to pay claims was far from easy.

Elaine burned the telephone line and visited with the state insurance commissioner. The insurance company eventually resumed payment.

A Rural Doctor's View

Jane McCaleb, a doctor in Jackson, N.C., has mixed feelings about some aspects of health-care reform.

"For the individual family physician in a rural area, we're going to see reimbursement go up," she says. Many rural practices have patient loads heavily laden with people who are uninsured or those who are on medicare or medicaid.

Currently, rural practitioners are reimbursed only about one-third of what their urban counterparts receive for medicare patients.

McCaleb is one of several doctors in a health-care consortium covering a two-county area. About 65% of their patients are covered by medicare and medicaid, 15% are uninsured, and 20% have private insurance.

But as the demand for family physicians rises, rural areas will be at a disadvantage in the bidding war. Eventually, reform will mean more family doctors in practice, which should help rural areas, she says.

What About Quality Care?

Patsy Sanders of O'Donnell, Tex., fears that changes will affect quality. Patsy had a slight thickening in one of her breasts, which both her doctor and a surgeon thought was not cancerous. Because she was concerned, a surgical biopsy was performed. The thickening was malignant.

"I won't come down on defensive medicine practices because that's how I was diagnosed," Sanders says.

But McCaleb believes the current system of what she calls excessive testing, surgeries, and prescriptions has done more harm than good.

Treated for cancer twice during the past eight years, the doctor also has a different opinion of what it means to have insurance coverage now.

"People do not realize that all of us are one illness away from being medically indigent," McCaleb says. "They think because they have money — and I had money — and because they have insurance — and I had insurance — they can't be touched."

The first time she was treated, she paid \$125 in out-of-pocket expenses; the second time, \$10,000.

Mandatory Insurance

James Lee Adams of Camilla, Ga., pays up to \$15,000 a year, with a \$1,000 deductible, for health insurance for his farm employees. Still, he is concerned about the idea of a federal mandate that employers provide health coverage.

"The last time minimum wage was increased, the economists said nobody was supposed to get laid off," he says. "I can tell you, folks after folks were laid off."

"I've got a man working for me right now whose wife is a school teacher," he adds. "There is no way I can duplicate the health plan they have, so I pay him a little bit more money. If I have to put him back on the health-care plan, I'm going to lower his pay."

In addition to the Clinton proposal, several others are being pushed in Congress (see accompanying story). Despite strong opinions on individual points, almost everyone Progressive Farmer talked with seems baffled by the issue's complexity and about what format the final package should take.

Perhaps Jeff Smedsrud says it best.

He is with Communicating for Agriculture, a nonpartisan group that represents 80,000 ag families.

"Whether we support a conservative reform proposal or a liberal reform, we must begin to improve a health-care system that too often provides too little comfort and is too unavailable for too many people."

He adds: "In some ways, the Clintons have already won the health-care debate because people are changing health care all around the country, largely because they're afraid of what happens if they don't."

BY NANCY DORMAN-HICKSON

What Are the Options?

All the plans offer a 100% deduction to self-employed for health-care costs.

Single payer. Government runs everything. It is very efficient and saves money. Offers little choice or control. Critics say it isn't an American system; could harm quality.

Clinton's proposal. Government has a role in setting prices if competition doesn't work. Sets up national board and regional alliances that help determine choice of benefits, doctor, and hospital. Mandates employers to purchase for employees.

Liberal Republican. Similar to Clinton plan, but does not include having the Government set up alliances. An association or a hospital, for example, could set up an alliance as long as federal rules are followed. Individuals, not employers, could purchase insurance.

Stenholm/Cooper/Grandy Bill. Government has no role in setting prices. Believes in alliances, but not Government involvement.

Conservative Republican. Individuals purchase plans with high deductibles. Recommends money saved be placed in tax-deferred savings account. Addresses malpractice reform. Leaves control of who will be insured to insurance providers.

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