HEALTH CARE CONSUMER

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Advisory Committee Narrowly Defeated

Mayor, City Dump Burnham

On Tuesday, February 7 the Champaign City Council voted to approve the basic framework for the consolidation of Burnham City Hospital and Mercy Hospital by a 6-3 margin. The vote came after three months of public outcry over the original proposal put forth by Mayor Dan McCollum. During this time, several changes were made in the Memorandum of Understanding (MOU) between the city and Mercy's parent corporation, Servantcor, Inc.

The Council also narrowly defeated a proposal by the Champaign County Health Care Consumers calling for the establishment of an Advisory Committee on Health Care Services to help resolve outstanding issues, problems, or gaps in service that remain because of the consolidation. That proposal was defeated when proponents came up one vote short on the nine member City Council, as the mayor did everything in his power to kill it.

"Probably the most frustrating aspect of this whole ordeal has been the reluctance by the city, particularly the mayor, to solicit or incorporate community input," explained CCHCC Executive Director Mike Doyle. "The mayor was single minded in his focus to 'get out of the hospital business' and he seems to have succeeded. The concern of consumers and residents alike is that he did so with little concern for the public interest. He was willing to give away the store."

From the outset, McCollum resisted any suggestions to improve on his original proposal, and often attacked citizens when they suggested or implied that the city could do better.

The consolidation of Burnham, a city owned hospital, and Mercy, a Catholic institution, has been discussed and debated for over six years. Actual negotiations have started and broken off three times during this period. The most recent breakdown occurred in May of 1988.

With declining admissions, Burnham's financial future looked bleak. Although Mercy's financial picture looked somewhat brighter, overexpansion in 1979 resulted in several layoffs in the 1980s as Mercy tried to service its debt.

Frustrated that the on-again, off-again negotiations would continue throughout his term, Mayor McCollum took matters into his own hands. Convinced that Mercy needed prodding to return to the table, the mayor and Burnham took the bold move of offering to sell Burnham to Christie Clinic, a private for-profit physicians' group practice. If accepted,

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Members of CCHCC's Senior Task Force map out a strategy to assure the continuation of the Medicare 100 and Medicare Plus programs in light of the consolidation of Burnham and Mercy Hospitals (more on pages 2 and 3).

Illinois Doctors Overcharge Medicare Patients $138 Million

Illinois physicians overcharged elderly and disabled patients $138 million in 1987, according to a recent report issued by the Illinois State Council of Senior Citizens. Based on figures published by the U.S. Health Care Financing Administration, this is the amount that doctors charged beyond what Medicare sets as the "reasonable rate."

"This money comes directly out of the pockets of sick, elderly people and the disabled," said Jerry Prete, President of the State Council, at a press conference held to announce the report. "Neither the federal government nor any other third party payer, including every insurance carrier, will pay more than the Medicare determined reasonable rate. We think Illinois doctors should be prohibited from gouging the old and sick, and we are launching a campaign called D.O.C., Doctor Overcharge Campaign, to pass legislation prohibiting overcharges."

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Burnham

from page 1

the proposal would have dramatically altered the balance of power between Burnham and Mercy.

"The key to the maneuvering revolved around the patient referral pattern of the physicians affiliated with the two hospitals," explained CCHCC Chair Susan McGrath. "In general, Burnham has relied on a declining number of independent physicians for patient admissions. Mercy, on the other hand, has solidified its relationship with a growing Christie Clinic, particularly through PersonalCare HMO, a joint Mercy-Christie venture. If Christie would have accepted the deal, Burnham would have clearly become the stronger institution financially, with Mercy on the ropes."

It was at this critical juncture that many say McCollum made a fateful mistake. Determined to 'get out of the hospital business,' McCollum began operating on his own, and promised Christie Clinic that they would be part of the deal whether it was a Christie buyout or a consolidation with Mercy. Avoiding public input, and locking the Burnham administration and board out of the negotiations, the mayor then proceeded to cut a deal with Mercy Hospital officials.

From the mayor's perspective, which was focused solely on 'getting out of the hospital business,' the strategy worked. However, from a public interest perspective, the mayor emasculated the city's bargaining position, and placed Christie Clinic in a no lose situation.

In late October, the mayor and Mercy announced they had come to terms on the basic framework of a consolidation, one which would provide Christie with nearly one-third of the seats on the consolidated hospital board -- five times more than the single seat the city itself would retain. Faced with the choice of investing in an older Burnham facility and competing with both Mercy and Carle Hopitals, or playing a major role in a consolidated hospital with Mercy's newer facility and competition only from Carle, Christie did the obvious, rejecting the offer to buy Burnham, and endorsing the consolidation agreement the mayor worked out with Mercy.

Initial response to the mayor's consolidation plan was swift and overwhelmingly negative. Only those who stood to benefit from the mayor's plan -- Mercy and Christie -- endorsed it. Clearly outraged that the mayor cut a deal without any involvement of Burnham's administration or board, Burnham employees marched on City Hall. Over 300 people filled the city's chambers on November 8 for the first public hearing on the plan. Consumers and citizens' organizations such as CCHCC and NOW, as well as other health care providers including independent physicians and Planned Parenthood, criticized the plan for giving up too much and failing to protect the public interest.

Shocked by the negative response, the City Council rejected McCollum's original plan for a quick vote and put off any future discussion for two months to allow Burnham and independent physicians an opportunity to come up with suggested changes and alternative proposals for the city to consider. The mayor also convened an ad hoc committee of the various medical interests to discuss possible changes in the framework.

Formally locked out of the process, CCHCC and other community groups began organizing around the proposed MOU. In mid-November over 100 members of CCHCC's Senior Citizen Task Force showed up at a meeting with Servantcor and Burnham representatives to secure a commitment on maintaining the Medicare 100 and Medicare Plus programs.

Over 100 senior citizens attended an emergency meeting of CCHCC's Senior Task Force to quiz officials of Burnham and Mercy Hospitals about how the consolidation of the two hospitals would affect the Medicare 100 and Medicare Plus programs.

After meeting with Servantcor officials in December, members of CCHCC's Low-Income Access Task Force recommended amending the MOU to include specific commitments on free and low-cost care programs for the poor and non-discrimination requirements.

Recognizing major gaps in the continuation of reproductive services, CCHCC's Women's Health Task Force took the lead in establishing a Community Council on Reproductive Health Services. This coalition of community based groups, including NOW, the Frances Nelson Health Center, Planned Parenthood, the YWCA, and others, began pressuring the mayor to pursue alternatives for protecting the ongoing availability of reproductive services.

Nearly two dozen meetings were held with the mayor and city council members, as well as Servantcor and Burnham officials. With some progress on each of these issues (see accompanying article), CCHCC began focusing on the larger question of public accountability. Questions were raised about the makeup of the 19 member Board of Directors. Under the mayor's plan, the city would retain the right to appoint only 1 representative, while Servantcor would get six, Mercy two, Burnham two, Christie five, independent physicians two, and the new CEO would get one vote. When reconsidering the plan in January, the revised MOU limited the veto powers that Servantcor had in the beginning, but medical interests continued to hold an 18 to 1 ratio on the board.

Convinced that the board makeup was unbalanced and lacking public accountability, CCHCC pushed for a change in board composition. However, as would become a familiar tally, the motion to change board composition lost 5 to 4, with the mayor casting the deciding vote against any change.

"It's unfortunate the process turned out the way it did," stated Doyle. "This issue provided a tremendous opportunity to make some positive changes out of a bad situation. But the mayor's decision to sit down and cut deals with the large medical institutions inevitably served special interests without regard to the public interest. By limiting public input to peripheral discussions rather than working with community groups, the mayor became the most obstinate hurdle. It's obvious who benefited the most from this process. Just look who applauded his efforts: Carle, Servantcor, and Christie. Unfortunately, it didn't have to be this way."

Mayor's Plan Criticized

Changes Sought in Agreement

Last November when Mayor McCollum released his proposal to consolidate Burnham and Mercy Hospitals, the overwhelming response was negative. From that time until a final Memorandum of Understanding (MOU) was approved in February, several changes were made in response to community criticism. The following is a brief summary of those changes of most interest to CCHCC members:

Medicare 100 and Medicare Plus Programs. The original agreement recommended by the mayor said nothing about the future of these programs, which serve 1500 senior citizens. The mayor and Mercy stated it was up to the new hospital board to decide. The final agreement stated that all of Burnham's contractual obligations, including the Medicare 100 and Medicare Plus programs, would be honored. CCHCC's contract with Burnham for these programs expires in 1992, with at least 12 months advance notice required if the hospital decides not to renew the contract.

Reproductive Services. This area is one that remains largely unresolved. As a Catholic institution, the new hospital will not provide any reproductive services, including vasectomies, tubal ligations, abortions, morning after pills for rape victims, or information on where to receive such services. Although the mayor argued that physicians could perform most of these procedures at Carle,

Servantcor representative Stuart Fulks assures CCHCC that Mercy Hospital is committed to continuing programs to serve senior citizens and the poor.

scheduling conflicts and access to the operating room at Carle make this an unlikely solution. The final MOU did include language that would allow the city to lease some of Burnham for "the provision of health care services," however, no guarantees exist that would insure reproductive services will be available.

Non-Discrimination and Care for the Poor. The original MOU stated that the new institution was committed to serving people. Language that "no one would be turned away because of an inability to pay" was added to a later draft. After the mayor failed to get anything stronger, CCHCC convinced Servantcor to include specific language that the new hospital would set up a free care program for persons below poverty, and discounted care programs for persons above the poverty level but unable to pay their hospital bill. In addition, Servantcor agreed that the new hospital would comply with non-discrimination regulations listed under the community service obligations of the Hill-Burton Act.

Board Composition. In his original proposal, the mayor gave Servantcor the power to veto appointees to the Board of Directors, and he limited the city's representatives on the new board to 1 out of 19 seats. In the final draft Servantcor no longer had veto power, but the mayor killed CCHCC's proposal to increase city representation on the board.

Atty. General Neil Hartigan to be Honored at Conference

On April 29 CCHCC will present its 'Leadership in State Government' Award to Attorney General Neil Hartigan for his role in the passage and funding of the Comprehensive Health Insurance Plan (CHIP). The award will be presented just two weeks after the April 15 starting date of CHIP, a landmark program that provides health coverage for Illinois residents who have been unable to purchase health insurance because of a pre-existing medical condition (see article this issue).

"Attorney General Hartigan's efforts to pass CHIP last year, and to successfully negotiate funding this year despite severe budget constraints, deserve special recognition," explained CCHCC Chairperson Susan McGrath. The award will be presented at CCHCC's Annual Conference and Awards Dinner on Saturday, April 29 at the Illini Union. The theme of this year's event will be 'Picking Up the Pieces -- Health Care in the 90s.'

Illinois Attorney General Neil Hartigan

Another honoree at the Awards Dinner, which begins at 6:30 PM, will be State Representative Barbara Flynn-Currie from Chicago. Representative Flynn-Currie sponsored Medicaid expansion legislation which became law last year, and which provides Medicaid coverage to all children under age 2 and pregnant women who live below the poverty level. This initiative is a growing effort to provide access to health care services and reduce our nation's embarrassingly high infant mortality rate. Health experts agree that the cost savings in Medicaid expenses from prevented illnesses and birth defects will far exceed initial program expenses. Illinois' infant mortality rate is the highest of any northern industrial state, and has actually increased in recent years.

Mr. Hartigan was elected Illinois Attorney General in 1982, and is presently serving his second term. Soon after his election in 1982, Mr. Hartigan reorganized the office of Attorney General.

Representative Barbara Flynn-Currie

Hartigan was the first Attorney General in the country to institute divisions to assist senior citizens, disabled persons, and veterans. In addition, he expanded the divisions that serve farmers, the environment, and victims of crime.

Hartigan put the full resources of his office behind efforts to pass the CHIP bill in 1987. When the legislature's appropriation of $10 million in startup funds fell seven votes short in the House, Mr. Hartigan played a prominent role in negotiating a compromise of $5.8 million that was passed in early 1989 and signed by the governor.

Legislative Update '89

...from the Statehouse

As the Illinois General Assembly begins to get underway in Springfield next month, the CCHCC and other consumer groups are gearing up by initiating consumer reforms in the health care and insurance industries.

HEALTH CARE ...

As the number of uninsured continues to grow in Illinois (1.6 million in 1988), medical costs rose three times faster than the current rate of inflation. As the health care industry jockeys for larger government subsidizes to maintain their profit margins, access has continued to decline. One of the boldest proposals calls for employer mandated health insurance. In addition, there are many more limited proposals that will probably be introduced, including:

DOC - Doctor Overcharge Campaign: Launched by the Illinois State Council of Senior Citizens, DOC would prohibit Illinois physicians who treat Medicare patients from overcharging senior citizens. In 1987 Illinois doctors overcharged seniors $138 million above the Medicare determined reasonable rate (see article this issue). To stop this unethical practice, the Consumer Fraud Act will be amended. If passed, it would be a criminal offense (consumer fraud) for physicians to overcharge Medicare patients.

Rural Health Care Initiatives: Rural health care in Illinois is facing a monumental crisis. Hospital closures, mergers, corporatization of health care, and the lack of doctors willing to locate in rural areas have all added to this crisis. The development of a State Health Services Corps to provide incentives to doctors to practice in rural areas, the bolstering of existing Community Health Centers, and the development of a Rural Health Care Authority to oversee the implementation of these initiatives are some of the proposals being explored.

Utilization of Allied Health Care Professionals: Allied health care professionals (midwives, nurse practitioners, etc.) are increasingly important in filling the gaps in the health care delivery system and improving access to health services. Efforts will focus on broadening certification procedures, expanding training, and increasing the use of allied professionals.

Malpractice: Once again the Illinois Medical Society will be trying to push through legislation that would limit consumers' rights to sue incompetent doctors. In response, consumers will support merit or experience based malpractice rates. Under this scheme, doctors with bad malpractice records would be charged more for medical malpractice insurance. Rates would then begin placing financial pressure on physicians responsible for a disproportionate share of malpractice cases, lowering costs for good doctors, and forcing bad doctors out of business.

INSURANCE REFORMS...

Insurance reform last November received a major boost with the passage of Proposition 103 in California, when voters overwhelmingly approved a 20 percent cut in insurance rates, despite heavy spending by insurers to defeat the measure. Reforms to be proposed in Illinois are:

Rate Rollback: One proposal would reduce all property/casualty insurance (auto, home, liability) rates to 1986 levels (1986 was a year of record profits for the insurance industry) and freeze those rates for one year.

CCHCC members Ruth Baker (center) and Clara Greenblau (right) talk to Senator Stan Weaver about medicare assignment at last year's Lobby Day.

...from Capitol Hill

Similar to the state situation, specific legislation has yet to be introduced. However, three major legislative initiatives will be submitted in the House and Senate next month.

Employer Mandated Health Insurance: Previously known as the Kennedy - Waxman Minimum Health Benefits Act, this bill is similar to the recently proposed state initiative, but more comprehensive. A hardship fund to assist small businesses experiencing financial difficulties, coverage for the non-working uninsured, and better options for part time workers will be added to this proposal, which is expected to be introduced in late March.

Medicaid Expansion: Representative Waxman, Chairman of the Health Subcommittee of Energy and Commerce, is in the process of drafting legislation which eliminates the current categorical qualification process to be eligible for Medicaid, and expands Medicaid to include all individuals who are living below the poverty level. Under current regulations, only 43% of individuals living below the poverty level in Illinois are eligible for Medicaid.

Federal Mandated Medicare Assignment: Congress is expected to enact a new payment plan which would base physician reimbursement amounts on a relative value scale. A Physician Payment Review Commission has been reviewing and will be recommending specific changes to Congress very shortly, with debate beginning this April and ending in October or November. Consumer groups believe that it would be the appropriate time to once and for all end the unethical practice by doctors of overcharging senior citizens to the tune of $2.7 billion in 1987. Legislation prohibiting such overcharges must be part of any new reforms.

Long Term Care: On March 13th in Chicago, Senator Paul Simon convened an official field hearing on behalf of the U.S. Senate's Labor & Human Resources Committee, regarding specific elements of a long term care plan. This spring there will be at least 4 pro-consumer bills introduced in the House or the Senate.

Rate Protection & Elected Commissioners: This would require prior approval of all property/casualty rate increases of more than 10% by an elected state insurance commission and commissioner. The current commissioner, appointed by Governor Thompson, has been critized as a leading advocate for the insurance industry.

Repeal of Anti-Trust Exemptions: Eliminates the exemption of the insurance industry from anti-trust regulations in the Illinois criminal and insurance codes. The insurance industry in Illinois is the only industry that is exempt from antitrust regulations.

Gender Discrimination: This proposal would make it illegal to charge different rates for insurance coverage based on the sex of the policyholder.

Medicare from page 1

The report, titled "Adding Insult to Injury: Doctor Overcharges of Medicare Beneficiaries," states specifically that:

- 64% of Illinois physicians who treat Medicare patients can and do overcharge them;

- doctor overcharges average $95.20 per Medicare recipient;

- the average overcharge per claim in Illinois is $45.20, approximately one-third of the average claim;

- only five states have higher average overcharges.

"Doctors earn more money than any other occupational group in our society," said Prete. "Their biggest single source of income is Medicare [at] an average of $60,000 per year. Then they get 20% more from the insurance company or the beneficiary. But that doesn't satisfy most of them. They still come after the poor seniors for millions more."

Nationally, physician overcharges amounted to $2.7 billion in 1987, with Medicare only covering about 40% of the total health care expenditures for the elderly. On a national level, seniors pay $1,850 per year out-of-pocket for all medical services. This averages to about 14 to 16% of a senior's yearly income.

Laws requiring acceptance of the 'reasonable rate' as full payment have been enacted in other states. In 1985 Massachusetts became the first state to enact such legislation. Doctors naturally predicted dire consequences and threatened to leave the state. However, there are more physicians practicing in Massachusetts today than before the law's enactment.

Legislators Push Insurance Plan

Health care for the working uninsured may be a reality for over 600,000 Illinoisians if a newly proposed initiative is enacted by the Illinois General Assembly. In January State Senator Howard Carroll and State Representative John Cullerton, both Chicago Democrats, announced their intentions to introduce legislation that would require most Illinois employers to provide health insurance to their employees.

"An inability to pay should not prevent anyone in Illinois from receiving readily accessible, quality health care," Carroll asserted. "But a growing segment of our population is completely losing access to the health care system. We cannot allow this sorry situation to continue."

Under their proposed plan, which was crafted by the Illinois Hospital Association (IHA), businesses with more than five employees working at least 17.5 hours per week would be required to provide indemnity health coverage, including inpatient and outpatient hospital care, physician care, and some other services. Employees would pay a 20% share for covered health care, with a maximum out-of-pocket cost of $1,000, plus the deductible. Under the plan an employer's monthly cost is projected to be about $70 per employee, while the employee's monthly premium cost would be $16.

In announcing the proposal, Cullerton stressed that it would have positive effects for both businesses and their employees. "Let's remember that employers who do provide health insurance plans for their employees, as well as those employees who pay a portion of their insurance premiums, are currently subsidizing the businesses that do not provide any coverage. Why should anyone be exempt from this responsibility? Everyone must shoulder their fair share," Cullerton concluded.

While no legislation has yet been drafted, Senate staffers have indicated that some important aspects of the initial proposal have already been deleted. Sources say a special fund aimed at providing the same minimum health benefits package to the 90,000 Illinoisians collecting unemployment benefits is in trouble. Another component of the original proposal that requires employers who refuse to offer this coverage to pay a tax equal to 110% of the employer's premium is also being reconsidered.

Although this proposal is a major step forward, consumer groups have not yet endorsed the proposal, and are curious about the specifics. Several concerns have been raised. First, although the hospital industry will benefit handsomely under this plan, one of the major obstacles to purchasing health insurance is the skyrocketing cost of health care. Unfortunately, the hospital association's plan ignores this fact. Consumers are concerned that requiring everyone to purchase health insurance must be coupled with a systematic approach to hold down health care costs. Another concern is that the plan does little to guarantee access to care for the other 900,000 uninsured in Illinois. A recent study conducted by the Campaign for Better Health Care showed that federally mandated hospital free care programs in Illinois have decreased by 59% since 1980. Part of the problem is that the proposal doesn't include a provision to cover the health care costs of the dependents of the employee.

...employers who do provide health insurance plans ... are currently subsidizing the businesses that do not provide any coverage.

Wills & Bequests: Planned Gifts

CCHCC is currently in the process of developing a five year fundraising campaign (see page 7). As part of that effort, we are researching the use of wills and bequests to learn how our members can take advantage of these alternatives in supporting CCHCC. We would be glad to share this information or answer any questions that our members may have.

In the meantime, we would like to encourage our members to remember CCHCC if you are considering establishing or updating a will or bequest. A bequest can be as simple as a statement which reads:

I give and bequeath to the Champaign County Health Care Consumers, a not-for-profit corporation located in Champaign, Illinois, the sum of_____ dollars to be used for the general purposes of the Champaign County Health Care Consumers at the discretion of its Board of Directors.

You can also specify in detail what the money can be used for. If you have any questions, please give Elizabeth Hamlin a call at 352-6533.

Advocate's Advice: CHIPs

Each day CCHCC receives several calls on its Consumer Health Hotline from consumers in need of help. In an effort to share information on some of the most common calls we receive, Advocates's Advice is a regular column in the newsletter. The column this issue offers valuable information about Illinois' new Comprehensive Health Insurance Plan.

After months of political maneuvering and bargaining, the state legislature finally approved partial funding for Illinois' new Comprehensive Health Insurance Plan (CHIP). Although the $5.8 million start-up funding is below the $10 million originally requested, the compromise was an important breakthrough for this landmark legislation.

Briefly, CHIP is a major-medical health insurance policy designed for Illinois residents who are able to afford private health insurance, but unable to secure coverage due to a pre-existing medical condition.

The plan is underwritten by the State of Illinois. Mutual of Omaha, an insurance company which manages a number of similar programs in other states, has been awarded the initial administrative contract in Illinois. CHIP is supervised and controlled, however, by a seventeen member Board of Directors, chaired by the Director of the Illinois Department of Insurance. To help represent the concerns of CHIP participants, at least two of the board members are individuals who either could qualify for coverage under the plan, or are the parent or spouse of such an individual.

ELIGIBILITY: Any individual, minor or adult, who is a permanent resident of Illinois is potentially eligible for the plan. The individual must have resided within the state for at least 30 days prior to application. An individual need not be a U.S. citizen; however, it will be necessary for these persons to provide documentary evidence of their intent to make Illinois their primary residence.

Normally, Medicaid recipients are not eligible for CHIP coverage. The only exception would be if a recipient was classified as MANG (medical assistance no grant) and had a qualifying medical condition for CHIP. If accepted by CHIP, this individual could continue to receive MANG benefits during the initial six month period of coverage when CHIP would not pay for costs relating to a pre-existing condition. After that period, the individual could no longer participate in the public aid medical assistance program.

Illinois residents who are eligible for Medicare will not be accepted into the CHIP program. However, CHIP will offer a separate Medicare supplement policy which will be available to medically qualified residents. The type of policy to be offered is known as a 'carve-out,' i.e. CHIP will pay for any remaining 'covered expenses' after Medicare, the primary insurer, has paid its share of costs.

To enroll in CHIP, all applicants must verify that they have been denied private health insurance, or offered coverage only at a premium rate exceeding that of CHIP, because of existing medical conditions. However, a consumer may automatically qualify for coverage if he/she suffers from one of a list of 32 conditions 'pre-approved' by the Board of Directors.

TYPE OF COVERAGE: In addition to individuals, CHIP will also offer insurance to families if at least one member meets the eligibility guidelines. However, this will not be a low cost insurance option, and consumers will probably spend less if they first try to get coverage for 'healthy' family members through traditional insurance. The enabling statute also contains a provision which will be of interest to some small businesses or associations. The provision states that "groups of ten or fewer persons that are employees or members of an association are eligible for coverage under the plan (CHIP) if at least one member of the group meets the eligibility criteria." This option could be of benefit to those predominantly healthy groups which are penalized (unable to obtain private health insurance) when one or more medically high risk individuals are part of their organization or business.

BENEFITS: The plan is available as an annually renewable policy with a maximum lifetime benefit limit of $500,000 per covered individual. As with similar private policies, covered expenses shall be the reasonable and customary charges for services and articles. Expenses due to the treatment of a pre-existing condition will only be covered after an individual has been enrolled in the plan for six months.

Some notable services which will not be covered include: routine physical exams; non-medically necessary abortions; and routine maternity charges, unless the individual has secured optional coverage at an additional premium.

PREMIUMS, DEDUCTIBLES, AND COINSURANCE: Generally, an individual's premium will be 135% of the cost of a similar policy offered by private insurance companies operating in the state. The CHIP premium will also be influenced by an individual's sex, age, and the geographic location of his residence. Enrollees will be offered a choice of deductibles: $500 or $1000 for an individual, and $1000 or $1500 for family coverage. In addition, a mandatory 20% copayment will be required on all approved charges. This copayment (in addition to the amount of the deductible) will be assessed until an individual has paid $1500, or a family has paid $3000, in any given year.

CONSUMER RECOURSE: A consumer grievance/appeal procedure will be established by the Board of Directors, and should be in place by mid-April.

FISCAL VIABILITY: The program was designed so that half of the total cost of the plan would be supported by premiums, with the remaining cost to be borne by the State of Illinois. Appropriations for CHIP are to be drawn from the state's General Revenue Fund. Most Illinoisians are aware that this year's appropriation for the program was smaller than anticipated, and only approved after much political negotiation. Given Illinois' general fiscal problems, it is very likely that CHIP's annual state funding levels will be uncertain.

To ensure the fiscal viability of the plan, the CHIP board can utilize two administrative mechanisms: raise premiums or limit enrollment in the plan. With the spring startup of the program, the premium is set and is not anticipated to rise this year. However, with this year's appropriation limited to $5.8 million, the board has decided to restrict initial enrollment. Because applicants will be considered on a first come, first served basis, it is essential for interested parties to apply as soon as possible.

APPLICATION PROCEDURE: Consumers interested in the plan should call the Springfield or Chicago offices of the Illinois Department of Insurance or Mutual of Omaha and request that their name be added to the mailing list for CHIP information and applications. The telephone numbers are as follows:

(217) 785-1258 IDOI (Springfield)
(312) 917-2427 IDOI (Chicago)
(800) 456-0224 Mutual of Omaha

Applications should be available in mid-March, and coverage is scheduled to begin by April 15, 1989. As mentioned above, enrollment will be limited. Qualified individuals who cannot initially obtain insurance will be placed on a waiting list. They will be offered coverage as slots become available over time. For various reasons, officials anticipate a high turnover rate in enrollment.

Need A Helping Hand ?

Many of the calls we receive on our Consumer Health Hotline are successfully resolved by referring consumers to one of an array of government and non-profit agencies that serve our community. To keep local consumers informed about what resources are available, we will regularly profile some of these agencies and the services they offer. This issue looks at two agencies that serve disabled persons.

Protection and Advocacy, Inc. is an organization independent of all state agencies. They have federal and statutory authority to protect and promote the rights of persons with disabilities. Their services are free of charge, and include: information and referrals; technical assistance; outreach, education, and training sessions; and individual advocacy assistance and representation.

They assist people with disability related problems like: abuse and neglect or financial exploitation in the home, the residential facility, or any public or private program; denial of rights or services from any public or private agency; discrimination; and opposition to the appointment of a guardian. If you have a disability related problem and need assistance, training, and/or representation, feel free to contact:

Michelle H. Bolden, Advocate
Protection and Advocacy, Inc.
115 N. Neil St., Suite 419
Champaign, IL 61820

PACE, Inc. is a not-for-profit agency serving persons who have disabilities, their families, and communities. It provides individualized service, including counseling, information and referral, advocacy, and skills training.

Two current programs also include distribution of free TDDs to persons who have hearing impairments, and low-vision aids for persons who have visual impairments and are 55 and older.

PACE serves all age groups and does not charge a fee. The goal of PACE is to enable individuals to become or remain independent, and in control of their own circumstance. A Deaf Services Coordinator provides signed communication for individuals who are hearing impaired, and materials can be made available in braille, audio tape, and large print for persons who have a visual impairment.

For more information or assostance, interested persons can call 344-5433 (voice), 344-5024 (TDD), or write to PACE, 1717 Philo Road, Urbana, IL 61801.

Midwifery

from page 8

care; client preference for a single caregiver for pregnancy, birth, and post partum; clients' appreciation and desire to maintain control and autonomy of the birth experience; midwives' family centered care and participatory birth process; and the cost effectiveness of midwifery care. In a recent prenatal survey conducted by CCHCC's Women's Health Task Force, 94.7% of the pregnant women and new mothers surveyed believe that birth options such as midwifery, home births, and freestanding birth centers should be available to consumers.

Midwife Betty Peckmann (center) spoke to CCHCC's Women's Health Task Force last July.

Even before the Peckmann-Perry indictment, a legislative initiative to legalize the practice of midwifery was afoot in Illinois. Midwives and their supporters believe that a Midwifery Practice Act is needed in the state to insure the legal practice of midwifery with the status that this effective and hightly supported practice deserves.

CCHCC's Women's Health Task Force has been actively involved in the issue of birthing options, and helped reverse local physicians' opposition to the use of nurse-midwives in 1984. "We continue to hear from women who feel the medical industry is limiting their choice in birthing options," explained Task Force member Imani Bazzell. "Ironically, these indictments may help to reverse these restrictions." If you are interested in working on the issue of birth options, contact CCHCC's Women's Health Task Force at (217) 352-6533. To donate to the Peckmann-Perry legal defense funds, make checks payable to: Christian Childbirth Education, c/o M. Geisel, 1405 West Graham Street, Bloomington, IL 62701.

CCHCC Plans Fundraising Efforts

The past ten years have been difficult for non-profit organizations. Government funding has been cut at all levels, and competition for private donations and support is tougher than ever before. Many citizen and consumer organizations have gone under or are struggling to make ends meet.

Despite these hard times, strong support from members and aggressive fundraising have helped CCHCC experience substantial growth in the 1980s. Determined not to be caught short in the future, CCHCC's Board of Directors has begun plans for a major five year fundraising campaign aimed at dramatically increasing the organization's financial support and further diversifying our fundraising base.

Staff Member Sue Sullivan calling CCHCC supporters about renewing their memberships.

"The key is self-sufficiency," explained CCHCC Treasurer Abdul El-Jamal. "We made great strides in the past five years, but really we've only begun to tap the potential support for this organization."

"There is a great deal of excitement about what we are working to accomplish," commented CCHCC Fundraising Director Elizabeth Hamlin. "We haven't finalized the specifics yet, but we are looking at continued growth in our door-to-door and phone membership canvasses, as well as new initiatives in direct mail, major donor appeals, and possibly an endowment or capital campaign."

As with all CCHCC activities, our success has a direct correlation to the help we receive from our members. If you would like to volunteer some time, share your ideas, or help with an event or fundraising activity, please contact Elizabeth Hamlin at 352-6533.

Midwifery Trial Raises Constitutional Issues

Last summer Governor Jim Thompson declared July 25-31 as "Midwifery Awareness Week" in the State of Illinois, to "tell the public about the services of midwives and where these services are offered." And even though Gov. Thompson's proclamation lauded their benefits, midwives in Illinois have existed in a legal grey area in recent years. Up to 1965, the State of Illinois issued licenses to practice midwifery, but stopped doing so under pressure from the medical industry. The status of midwives became even more clouded in 1987 when the statute making it illegal to practice midwifery without a license was eliminated. Now all that may change with the indictment of a midwife in central Illinois.

Betty Peckmann is a 54 year old registered nurse who is also a midwife. Kim Perry of Decatur is Peckmann's apprentice. As the President of the Illinois Alliance of Midwives (IAM), "an organization dedicated to promoting high standards of miwifery practice and to educating the public about midwifery and safe childbirth alternatives," Peckmann has championed the role of midwives. But in December, 1988, Peckmann was placed in the public spotlight when she and Perry were indicted by a Christian County grand jury in the death of a child they delivered. Both women face one count of practicing medicine without a license, a felony punishable by a prison term of up to three years, a fine of $10,000, or both. The indictment states that Peckmann and Perry provided prenatal care and assisted in the November 22, 1988 birth of Joshua R. Schneider at the home of his parents, Robert and Linda Schneider, in Taylorville. When the Schneiders decided to have a home birth, they originally consulted a physician in Taylorville who refused them medical support because of their decision to have their child at home.

Supporters argue that the low visibility of midwives is actually an indicator of their success rate. The public at large hears little about midwives except in those rare instances of an infant's death. In fact, only 2% of traditional midwives can expect to be sued for malpractice, whereas 60% of all obstetricians can expect to be sued for malpractice at some time in their career.

The Peckmann-Perry case raises several pertinent issues concerning the legal status of midwifery in Illinois. According to William Zukosky, CCHCC Board Member and Peckmann's attorney, the case is significant because of the constitutional issues involved, or as he states, "the right to work and the right to choose your form of medical treatment." Zukosky's defense of Peckmann will include an attack on the constitutionality of the Illinois Medical Practices Act of 1987. Zukosky, who is also affiliated with the Health Alternatives Legal Foundation (HALF), will argue that the act "discriminates against, and is unconstitutional as applied to, the practice of midwifery."

... a state appellate court overturned the conviction, ruling that the law is unconstitutionally vague ... advocates believe that a central issue is a women's right to make her own decision regarding birth.

The Illinois Medical Practices Act originally provided for the granting of midwifery licenses. However, in the Act's 1987 revision all references to midwifery were eliminated. Some legal experts claim that elimination effectively outlaws the practice. Others argue that Illinois law on midwifery is unclear, but that the practice is not specifically barred or sanctioned, leaving it to the courts to decide whether it is legal.

Another case involving a midwife from Makanda (in southern Illinois) was argued in November, 1988 before the Illinois Supreme Court, and is still pending. The midwife, Margaret Jihan, was convicted on a charge of practicing midwifery without a license after she delivered a baby who died shortly after birth. After Jihan's conviction she was placed under house arrest and forced to wear electronic shackles. However, a state appellate court overturned the conviction, ruling that the law is unconstitutionally vague because it does not specifically define midwifery.

Midwifery advocates believe that a central issue is a women's right to make her own decision regarding birth. In light of Illinois' high infant mortality rate (ranking 42nd of 50 states) and growing rural health problems, midwifery proponents believe that midwives offer a remedy to these issues by providing cost efficient and continuing prenatal care which is crucial in preventing perinatal morbidity and mortality.

According to 1986 information from the Midwives Alliance of North America (MANA), traditional midwives who deliver babies in home without a physician in attendance are legal in 12 states and legal "with restrictions" in 3 others. Midwifery proponents believe midwives provide a safe, cost effective, and less medical interventionist birth experience.

Though midwives in Illinois, as well as other states, suffer legal harrassment, they have extensive consumer support. Midwifery has made a comeback in Illinois as well as on a national level. Some reasons for the comeback of mid-

(Continued on page 7)

Phone Problems

Do commercials reflect reality? Well, usually not, but for the last few months CCHCC's office has looked a lot like an AT&T commercial. Our phone system, which we bought used over six years ago, has slowly but surely deteriorated. The problem got out of hand last month when we learned that callers were being cut off and one of our lines was not ringing in the office. With a new system installed, our phone problems should be a thing of the past. However, our apologies if you've had trouble getting through or were inadvertantly disconnected.

Champaign County
Health Care Consumers
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Dear CCHCC Member:

It's that time again! As a dues-paying member of the Champaign County Health Care Consumers, you are eligible to vote in the election of CCHCC's Board of Directors.

Each year approximately half of our At-Large board members are elected to staggered, two year terms. This year six of the twelve At-Large seats are open, and seven people have been nominated. Brief biographical statements of the candidates are listed below. On the reverse side of this sheet is a ballot you can clip and mail (or bring in person) to the Health Care Consumer office at 44 Main, Suite 208, Champaign, IL 61820. You may vote for up to six of the nominees, with no more than one vote per candidate. You may also write in a candidate, if you wish.

All ballots must be received no later than Wednesday, March 22. Results will be announced in the next issue of our newsletter. If you'd like to know the results sooner, please feel free to call the office.

Sincerely,

Mike Doyle
Executive Director

JUDY CHECKER - A supporter of CCHCC since its beginnings in the 1970s, Judy is the Director of Development for the College of ALS at the U of I. The College includes the health related fields of Kinesiology, Rehabilitation, Health and Safety, and the Office of Gerontology and Aging Studies. In addition to her involvement with health related research proposals, Judy's work has involved her on campus task forces dealing with insurance and health care needs of foreign students and their families. Before being employed by the U of I, Judy served as Director of a 708 board granting body, the Director of the Youth Service Clearinghouse, and the Community Services Director of the U of I YMCA. She has extensive experience in community organizing and advocacy for disenfranchised populations who are seeking empowerment. Currently, Judy is a member of the board of directors for the Central States Education Center, which organizes and assists local communities in their fight for a healthy environment.

BETTY HINTON - A member of CCHCC's board since 1987, Betty was born and raised in Fisher, Illinois. The mother of four children, she has worked with her husband on their farm for twenty-five years. While Betty has worked on a wide range of issues with CCHCC, her major focus has been on issues affecting senior citizens, and in particular the licensing and regulation of denturists. Betty was also named CCHCC's Volunteer of the Year in 1986.

KATHLEEN JONES - I am honored to be nominated for this position. I am 30 something, a native of Champaign County, graduate of UHS, Parkland, and Eastern. I lived in Chicago from 1971 to 1978. I am buying a home in Urbana, am a single parent, a Registered Nurse, and am employed at a large area federal medical center. There I am VP of the American Federation of Government Employees Local 1963. I am currently expanding my career field to include Financial Planning. Growing up in this community, I spent part of my youth as a ward of the state, have a family member who suffers from mental illness, and I well understand the struggles of poor, working, and handicapped people. I am thankful for this nomination, and feel that it was made because I have been active in community and political organizations since 1971. I firmly believe that growing members of Americans are being denied access to the health care system. As an at-large board member of CCHCC, I can help participate in restructuring and monitoring the current health care system so that all citizens will benefit.

SUSAN McGRATH - I have served on the CCHCC Board since 1982, and as Chair of the Board since 1985. I was honored to be named as CCHCC Volunteer of the Year in 1983. I have served on the Champaign County Board from District 8 since 1978. While on the Board, I have served on the Health Services Committee continuously since 1978, and was liason to the Champaign-Ford Subarea Council of the HSA for two years. I am active in the Democratic Party, a deputy voter registrar, a member of the Board of Directors of the Champaign-Urbana Girls Club, and its VP since 1988. I belong to the National Lawyers' Guild, ISBA, the Champaign County Bar Association, and the ACLU. I am 32 years old, have lived in Urbana since 1976, and graduated from the U of I in 1978 with a BA in political science and a JD from the College of Law in 1982. I believe that CCHCC has been instrumental in helping poor and lower middle income people achieve health care through their own efforts, with the assistance of CCHCC, and would appreciate the opportunity to continue in this effort.

ESTHER PATT - I have lived in this community for 15 years and am employed as the Director of the Tenant Union, a service and advocacy organization for people who rent their housing. My involvement with health care issues has been in the form of reproductive rights advocacy through my volunteer work with the Abortion Rights Coalition, the National Organization for Women, the ACLU, and the Illinois Pro-Choice Alliance. Advancing the rights of individuals, with particular concern for the impact of public policies on low-income people, is my primary interest in community involvement. I have been a member of Health Care Consumers for several years, and would appreciate the opportunity to more actively support its efforts as a member of the board.

MAMIE SMITH - Mamie has been an active member of CCHCC since 1979, and a member of CCHCC's Board of Directors for the past eight years. Not allowing her age to slow her down, Mamie is actively involved in many local, state, and national senior and community organizations. Some of these include: the Illinois Public Action Council Board and Senior Task Force; the Illinois Senior Advocacy Task Force; a Land of Lincoln Legal Services Client Representative; Peace Meal Council Member; Concerned Citizens for a Better Neighborhood; Pilgrim Missionary Baptist Church; and the Advisory Council of the Champaign Park District. Although Mamie has a special interest in health care issues facing senior citizens, she believes that everyone has a right to health care, and that we should all work together towards this end.

JANICE WHITE - Janice was newly appointed to CCHCC's Board of Directors just last November to replace former board member April Ko, who moved to Chicago. Having moved to Champaign last summer after receiving her master's degree in Social Work from the University of Chicago, Janice is currently employed at the Champaign County Mental Health Center. With a concentration in community organizing at U of C, as well as her current position working with teenage parents, Janice is all too familiar with the health problems facing low-income consumers. She is enthusiastic about continuing her contribution to CCHCC, as she seeks her re-election to a full two-year term on the board.

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ELECTION BALLOT
CCHCC BOARD OF DIRECTORS -- 1989 AT-LARGE REPRESENTATIVES

[] Judy Checker
[] Betty Hinton
[] Kathleen Jones
[] Susan McGrath
[] Esther Patt
[] Mamie Smith
[] Janice White

You may cast up to six votes (1 vote per nominee or write-in).
Return to CCHCC, 44 Main, Room 208, Champaign, IL 61820