

# The Dallas Morning News

## It's Austin's turn to stand up to lobbyists

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07 July 2011

One of the most exciting things to happen in the last session of the Texas Legislature was the passage of an interstate compact.

With Congress' approval, we will be able to join with other states and take complete control of our health care programs — including Medicare, Medicaid and dozens of others. If the plan proves successful, health care in Texas will no longer be shaped and molded by inside-the-Beltway special interests and inane federal regulations.

Instead, our health care programs will be governed, well, by Texas special interests and rules written in Austin.

Won't that be better? I wish I could be sure.

The same Legislature that approved the dismissal of thousands of school teachers this year was unable to stand up to the pharmacist lobby. As a result, Texas Medicaid pays pharmacies \$7.50 every time they fill a prescription plus 2 percent of the cost of the pills. By contrast, private insurers who manage Medicare's Part D program for the elderly pay only about \$2, on average. In theory, Medicaid is supposed to have the lowest drug costs of any payer. In reality, you and I can walk into Walmart and pay less than half of what Medicaid pays for generic drugs.

Then there are the drug companies who would like to see us all buy brand-name pharmaceuticals. On the plus side, Texas Medicaid's use of generic drugs is about the same as the national average. (Although who needs a "compact" if we only intend to be average?) On the downside, we are leaving a lot of scarce dollars on the table by not aggressively managing our drug budget.

The Lewin Group, a consulting firm that advises states on Medicaid matters, estimates that Texas could lower its Medicaid drug bill 19 percent, saving \$273 million in 2012 alone if it could resist special-interest pressures. Savings over the next decade could reach \$1.2 billion.

There's more. If Medicaid patients could get flu shots and other minor care by paying market prices at walk-in clinics in drug stores and shopping malls, their care would be more accessible and cheaper. The

alternative for many is to wait all day in the emergency room of a safety-net hospital, generating much higher costs for taxpayers.

The obstacle here is the Texas Medical Association, which believes that medical care should be delivered only by doctors — not nurses. Studies show that Minute Clinic nurses following computerized protocols provide best-practice medicine more consistently than traditional providers. But because of the medical association's clout in Austin, Texas has some of the most restrictive walk-in clinic regulations in the country.

Our record on private insurance is not much better. To sell insurance in Texas, an insurer must cover acupuncture, in vitro fertilization, chiropractors and marriage and family therapists. There are 60 mandates in all — making our state the fourth-most-regulated in the nation. While these benefits may be worthwhile for some patients, they drive up insurance premiums for everybody else. In the last session of the Legislature, not one mandate was repealed, although about a dozen new ones were resisted.

As in most other states, it is illegal in Texas for employers to buy individual insurance, rather than group insurance, for their employees. This deprives employees of the kind of insurance they most want and need: portable insurance they can take with them from job to job and in and out of the labor market. But whereas the unwritten policy is don't-ask-don't-tell in other states, Texas places an affirmative obligation on insurance agents to make sure that an employer isn't paying when people buy insurance on their own.

In another milestone, a new law will allow the state's insurance commissioner to liberate the workplace from such unreasonable restrictions.

Let us hope special interests do not again stand in the way.

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