Organizing the Health Sector: The Role of Non-Profits:

The course will examine the role of non-profit activity in the health sector in financing, providing, and advocating for health services. It will also examine the role of for profit entities and government programs and subsidies in many of the same areas. The requirements will include one briefing paper, two individual or group work-ups, knowledge of arrangements in another country and a final paper. Class participation (including workups) will be 40%, the briefing paper 20% and the final paper 40% of the final grade. Because of the variety of issues there will be several guest lecturers for a portion of classes. The aim of the class will be to expose the participants to a variety of issues relating to nonprofits and health while also enabling each to think critically in organizing an issue of importance to them. A sub theme will be to compare the role of nonprofits in health to their role in other advanced economics and specifically about what their role might be as the US health system evolves. Each student will also pick a country to study and be prepared to present on how that country makes arrangements each week.


Readings will be available on Canvas.

Some useful web sites include the National Center for Charitable statistics [http://nccs.urban.org/](http://nccs.urban.org/), Guidestar [http://www.guidestar.org](http://www.guidestar.org), the Urban Institute Center on nonprofits and the Kaiser Family Foundation [http://www.kff.org](http://www.kff.org). Other websites include Commonwealth [http://www.cmmf.org](http://www.cmmf.org). See also the website for advocates of nonprofit industry in health [http://www.nonprofithealthcare.org](http://www.nonprofithealthcare.org). To look to European arrangements go to the web site maintained by the European Observatory which covers current arrangements in each of the EU countries. [http://www.euro.who.int/observatory](http://www.euro.who.int/observatory) In addition to the European Observatory the Commonwealth Fund publishes an “International Profile of Health Care Systems,” annually. The Employee Benefit Research Institute also publishes useful data on employer insurance, health savings accounts and other information.

**August 24 Introduction**

Discuss class organization and requirements. Choose briefing papers and discuss the workups. Discuss the broad issues and brief history of medical care in the U.S. and the dynamic structure of funding and organization of services. Also choose a country.
Discuss Arrow article

**August 31** The Characteristics of Medical Care and Rationale for Non-Profits


General Discussion of Different Countries Organization of the Health System.

**September 7: Government, For Profit & Non Profit Roles in Health Care**


* Sara Rosenbaum, David Kindig, Jie Bao, Maureen Byrnes, and Colin O’Laughlin, “The Value of the Non Profit Hospital Tax Exemption was $24.6 billion in 2011, Health Affairs, July 2015.


* Chapters 1-3 in Boris and Stuerle pp.37-140.

All be prepared to briefly discuss how your country divides it up between Government, Private and Non Profit entities.

**Briefing Paper:**
1. Trends in expenditure on healthcare by government and private insurance and out of pocket and Growth & Composition in the size of the nonprofit sector as compared to the economy 1900-2011.

2. Brief on the relation [agreements] between Seton and Central Health, Seton and UT medical school, and UT medical school and Central Health plus an update

**September 14: Government, Nonprofit and For Profit Health Insurance**

*Look at the websites of the Texas Association of Community Based Health Plans ([http://tachp.org](http://tachp.org)) and the Association for Community Affiliated Plans ([http://communityplans.net ])* Kay Gherehmani the executive director of TACHP will be visiting the class


*Read the links related to recent developments in health insurance in the Commonwealth Fund August 2 Newsletter….*


*Christopher Weaver, “Insurers Playing a Game of Thrones,” Wall Street Journal, Wednesday, June 17, 2015. P.B1 and B2. Note that the Justice Department is opposing these plans

*Carl Schramm, Dispelling the Myth: Why the Conversions of Blue Plans to For Profit don’t Make Economic Sense, find it at the [www.nonprofithealth.org](http://www.nonprofithealth.org) BG


**Chapter 4 of Boris and Stuerle—on Tax Treatment of Non Profits**

Each Person will be responsible for explaining further how their country’s system works & what role private & non-profit health insurances play. This is especially salient in Germany

Group Workup #1 2 persons will present on the BCBS conversions in NY, Cal and in other states and the foundations they created [or not] and the scope of such health plan conversions nationally as compared to how Illinois Blue Cross acquired Texas Blue Cross

**Briefing Paper:**

1. Changes in the private health insurance system in the US from 1980-2015—including conversion of non-profit insurers to for profit and consolidations. And the role of private and
other insurers in the ACA, Medicare and Medicaid and changes in regulation and requirements on insurers since the ACA.[The trade association is America’s Health Insurance Plans]

September 21: Government, Non Profit, & For Profit Hospitals

Paper Topic is due. Please send provisional outline, & sources to the class on Canvas


* John Godderis and Burton Weisbrod, “Ownership Forms, Conversions and Public Policy,” Chapter 8 in Boris and Steurle


Discuss organization of hospitals in your country

Group Workup #1: Groups of two class members will present either an analysis of the Saint Davids and Methodist and Baptist cases or present on three of the conversion foundations above with updates if possible since the case was prepared.
September 28: Government, Non Profit and For Profit Physician Groups


*Carrie Colla, Valerie A. Lewis, Stephen Shortell, and Elliot Fisher, “First National Survey of ACOs Finds that Physicians are Playing Strong Leadership and Ownership Roles,” Health Affairs, June 2014, pp.964-971

Group Workup #1 Groups of 2 classmates will present how entities such as Kaiser, Cleveland Clinic and Mayo are organized and coordinate the interests of hospitals and physicians and organize care Another goups will look at a breakdown of successful ACOs [Accountable Care Organizations] including how they are organized and controlled

Briefing Papers:

1. The growth in physicians employed in and by hospitals including the growth of foundation plans and 501[a] arrangements. and requirements for 501 C3 designations for a hospital and data requirements on nonprofit hospitals in Texas including charity requirements.

2. Do a briefing paper on the organization, size and operation of Community Health Centers and Free clinics including their clientele, volume of patients, and sources of revenue.

Be ready to talk about your country’s arrangements for physician organization.

October 5: Long Term and Hospice care


* Amy Leone, “The Olmstead Decision: Implications for Community Based Care Initiatives for Person with Disabilities,” Fall 2009 unpublished paper.


Familiarize yourself with information on the web pages of:

1.) American Association of Homes and Services for the Aging  http://www.aahsa.org
2.) American HealthCare Association  http://www.acha.org
3.) National Citizens Coalition for Nursing Home Reform  http://www.nccnhr.org

The point this session is to look at the distinctly different populations which are served by For-Profit and Not-For-Profit nursing homes. For Profit nursing homes serve primarily persons who are covered by Medicaid and have relatively lower incomes while Not-For-Profit facilities serve as a higher income clientele. One issue of whether higher cost homes should receive higher rates is of some interest. It is also important to understand how public funding, private enterprise, non-profit organization and human needs intersect once again. And with the Olmsted decision how some of the ways in which the sector is organized are changing.

How is care for the elderly and developmentally disabled handled in your country?

All should be able to compare long term care in the US to that in their country of expertise.

**Briefing Papers:**

1. A presentation of breakdown between for profit and not-for-profit nursing homes and assisted living and residential living arrangements. [also look at nursing homes in Texas claiming public status to avoid regulation]
2. Breakdown on private for profit and nonprofit home health care providers and services and analyze nature of not for profit vs. for profit hospices as well.

Discuss long term care of the elderly in your country

**October 12: Mental Health and Social Services**

Go to the Web Pages of:

- National Association of the Mentally Ill  http://www.nami.org
- National Mental Health Association  http://www.nmha.org
- Brazelon Center Mental Health Law  http://www.bazelon.org/
*Tami Mark, Tracy Yee, Katherine Levit, Jessica Comancho-Cook, Eli Cutler and Christopher Carrol. “Insurance Financing Increased for Mental Health Conditions but not for Substance Abuse Disorders, 1986-2014” Health Affairs, June 2014, pp. 958-65


*See Senator Grassley’s request to NAMI regarding the extent to which Pharma provides funding for them.


*Chapters 6 and 7 in Boris and Steurle

**Briefing Papers:**

1. Describe the Texas Mental Health Services Delivery System. And the role of non profits, for profit and government financing and providers

2. Describe the functioning of the nonprofit entities that administer organ allocation procedures.

We will discuss how mental health and social services are organized and financed in your country.

**October 19: Medical Schools, Academic Health Centers, and Pharmaceutical Companies: For Profit, Government and Not for Profit Arrangements**


* Read about the GAVI alliance at [http://www.gavialliance.org](http://www.gavialliance.org)


Aaron S. Kesselheim, Yongtian Tina Tan and Jerry Avron, “The Roles of Academia, Rare Diseases, and Repurposing in the Development of the Most Transformative Drugs,” Health Affairs, February 2015, pp.286-293.
See also a number of other articles on pharmacy and innovation in that issue of Health Affairs.


Physician Payments Sunshine Act—if you google it there is a good fact sheet from the Pew Prescriptions Project. Effective January 1, 2012 Pharma will have to disclose all payments to physicians and teaching hospitals this came from hearings by Senator Grassley that revealed a number of questionable conflicts of interest and practices including employment of ghost writers by pharma.

Article on Ross Medical Schools. Forbes


All medical schools in the US are either public or non-profit although there are some for-profit competitors in the Caribbean who have arrangements with hospitals in the US to provide two or more years of clinical training and these are generally for-profit hospitals which have residency training programs. Kaplan and Princeton Review of course are private for-profit ventures through which potential applicants prepare for the MCAT exam. Government medical schools [with private funding] in Israel are also competing to train US citizens in medicine

Briefing Paper:

1. Breakdown of publicly funded medical and pharmaceutical research vs. private medical research. How it funded and what is the relative size of the efforts? And how does this relate to University Research and the Bayh Dole Act?

All should be able to compare medical education & research in their country to the US arrangements. Also compare how their country regulates pharma and covered pharmaceuticals with the US

October 26: The Role and Efficiency of Foundations in the Health Sector


*Peter Frumkin, StrategicGiving: The Art and Science of Philanthropy, Chicago, 2006 Chapters1
and 4.


Look at 990 of one of the major health foundations--Kaiser, RWJ, Commonwealth, Milbank, Hogg or Susan Thompson Buffett, California Endowment, Rose Foundation and others. Might look at the roll out of the Episcopal Health Foundation….

*To get some idea of the range of activities of these foundations visit: Grantmakers in health website at http://www.gih.org. From here you can click on links and then on health grantmakers and to specific foundation websites. This week we may have each member present one foundation and its aims and approach. Also, you should look the foundation up on www.guidestar.org

**Group Workup #2:** Half of the class members will briefly present one health related foundation, including its site, its stated role, how much and what percent it spends, how the expenditures are broken up between administration, service delivery, research, and advocacy as well as other issues of interest.

Discuss the role of Foundations in your country

**November 2: Non Profits & Advocacy in the Health Arena: AARP vs. Seniors of America vs. American Cancer Society vs. Alliance for the Mentally Ill.**

Advocates of Particular Diseases and Age Groups.


*Also, the Non Profit Center at the Urban Institute is sponsoring research on advocacy.

- Do case studies in Cancer, i.e., Susan B. Komen, Lance Armstrong Foundation, etc., American Cancer Society.
- Compare Juvenile Diabetes Foundation with American Diabetes Association.
- Look at Interfaces with NIH, Government Treatment Programs, and independent researchers.

Each disease has developed an advocacy group -- for a variety of reasons. These major issues are the cost of raising funds, the extent to which the funds are used to provide services or information vs. lobbying government to provide more funding vs. research.

Children's Defense Fund:

**Group Workup #2b**: Roughly half of the class will present on diseases or population specific nonprofit/advocacy group on its size, orientation, non-profit study etc. & the efficiency with which it operates.

Discuss the role of non-profit advocacy groups in your country

**November 9: International Health and Non Profits**

Bill and Melinda Gates Foundation and their Initiatives in Malaria, TB and AIDS go to their website and also see related sites. It is interesting how Gates and Allen stepped up to provide the quick funding needed to attack Ebola last fall. See the Bill and Melinda Gates Foundation 2014 and 2015 Annual Letters as well as the 2014 Annual Report.

*Chapters 11 and 12 in Boris and Stuerle


**Briefings Papers:**

1. Strategies USAID and the New Millennium Foundation use in working with non profits in developing countries as opposed to other sovereign aid initiatives in the health arena
2. Different relations between non profits and Government in Asia, Africa and Latin America with regard to health and social services
3. An evaluation of the international health initiatives of the Bill and Melinda Gates Foundation

**November 16 and November 3: Student Paper Presentations**