In This Issue

A NEW CONGRESS WILL CONVENE IN JANUARY 2007 for a term that will lead up to the next presidential election, and interest is growing once again in the possibility of major health care reform in the United States. Public opinion about health policy topics may provide clues about what kinds of approaches will gain support. That is the premise of the first article in this issue of *The Milbank Quarterly* by the research team at Harvard University and the Kaiser Family Foundation that has been a leading source of public opinion data about health policy issues. In “Americans’ Views of Health Care Costs, Access, and Quality,” Robert Blendon, Mollyann Brodie, John Benson, Drew Altman, and Tami Buhr summarize public opinion data from the past twenty-five years and consider implications for the shape and outcome of future debates.

By synthesizing data about the public’s views about the health care system, experiences with health care, and other topics such as chronic illness, malpractice, the uninsured, Medicare, and Medicaid, Blendon and his colleagues provide a broad picture of the context in which future policy debates will be conducted.

Some of this evidence is familiar. For example, notwithstanding the evidence that Americans are critical of the health care system, they are relatively satisfied with their own health care arrangements and reluctant to make sacrifices in the interest of health system change. Thus, agreement about overall problems and goals does not necessarily translate into strong support for particular proposals. Complicating matters further are areas in which the views of the public diverge from expert opinion. For example, contrary to the consensus among experts, the majority of survey respondents think that the nation does not spend enough on health care, even though many people worry about their ability to pay for medical care.

In pulling together the evidence about the public’s views, the authors remind us not only about matters about which public opinion has been

relatively stable but also that there have been periods in which substantial changes have occurred. Blendon and his colleagues provide an assessment of the implications of this body of evidence for the issues that may move onto the policy agenda in the period ahead.

The next article in this issue is "A History of Drug Advertising: The Evolving Roles of Consumers and Consumer Protection" by Julie Donohue. The policy issue that she examines is as old as the Food and Drug Administration, which had its centennial in 2006. Abuses in advertising to encourage consumers to purchase what were called patent medicines (a category that we would now divide in two parts: over-the-counter drugs and alternative remedies) helped lead to the creation of the FDA at the beginning of the twentieth century.

Today, drug advertising is again an important policy concern, with the emphasis on direct-to-consumer advertising (DTCA) of *prescription* drugs. Such advertising has become a major expenditure for pharmaceutical companies, but there is controversy about its consequences. Do patients have a right to the information conveyed in advertising, or do they need protection from it?

Donohue provides context for thinking about such questions by describing the fascinating history of drug advertising. It is a story of change—in conceptions about patients/consumers, the role of the medical profession, the doctor-patient relationship, and approaches to regulation. The views of health advocates, consumers, the medical profession, and the pharmaceutical industry have undergone reversals over time.

For example, some patient advocacy organizations now express deep reservations about DTCA, but Donohue shows that the promotion of drugs to consumers was an unintended consequence of the social movements for patients' and consumers' rights in the late twentieth century. To cite a second example, when consumer advocates argued in the 1970s that pharmaceutical companies should be required to disclose drug indications, risks, and precautions to patients in "patient package inserts" included with prescription drugs, industry representatives strongly resisted, arguing that the requirement would increase costs and have minimal benefits. Two decades later, consumer rights language was being used by the pharmaceutical industry to justify advertising.

Donohue's article shows that DTCA has strong historical roots as well as important ongoing consequences for patients, health care costs, and the place of consumer choice in health policy debates.

In “Dismantling the Poverty Trap: Disability Policy for the Twenty-First Century,” David Stapleton, Bonnie O’Day, Gina Livermore, and Andrew Imparato analyze some unintended consequences of policies that provide financial support to working-age people with disabilities. The authors show that this population did not participate in the national increase in prosperity in the 1990s and argue that one reason is the “poverty trap” created by the rules that set income limits for the disabled to be eligible for income support and Medicaid. Financial gains that a beneficiary might receive by obtaining substantial employment are largely offset by the loss of these benefits, creating a barrier to greater independence in this population.

This is a familiar but difficult problem that has previously been addressed by policymakers. However, the authors argue that the most recent policy changes aimed at addressing this problem in the United States—most notably the Ticket to Work legislation of 1999—have been only partially successful in promoting economic self-sufficiency among persons with disabilities. They offer a set of goals and principles that might guide future debates about reform, and they suggest that promising models exist both in the private sector and in the experience of the Department of Veterans Affairs Disability Compensation program for veterans who become disabled on active duty.

The final article in this issue is “Does Governance Matter? Board Configuration and Performance in Not-for-Profit Hospitals” by Jeffrey Alexander and Shouu-Yih Lee. The managers of nonprofit hospitals are hired, evaluated, and sometimes fired by boards of trustees who are legally responsible for the organization and its adherence to its mission. Research on governance has focused primarily on questions about the composition, role, and authority of boards, as well as board-CEO relationships. (For a recent review of the empirical literature on trustees, see Alexander 2004.) Research linking board characteristics to organizational performance has been rare.

The literature on hospital governance has described a trend in recent decades away from large “philanthropic” boards whose primary function was fundraising toward smaller “corporate” boards oriented toward strategic planning. Although much advice has been published about governance, there has been little empirical research on whether differences in the size, composition, and structure of governing boards affect hospital performance.

Alexander and Lee address this question, using several years of survey data that were collected in the 1980s and 1990s when both philanthropic and corporate boards were commonplace. Using a longitudinal design, they show that the use of the corporate model was positively associated with such performance measures as efficiency and market share.

Today's nonprofit health care organizations face complicated challenges in responding to the demands of a competitive marketplace and policymakers' expectations regarding charitability. Alexander and Lee's article is valuable not only for showing how differences in governance mechanisms can be conceptualized and measured but also for providing evidence that governance makes a difference on certain outcomes. Even though they come to the familiar conclusion that more research is needed, their article provides strong evidence that more attention is indeed warranted to the relationship between governance and performance, particularly in areas that are distinctive to the role of nonprofit institutions.

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Reference

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