In This Issue

ALTHOUGH STATES HAVE REGULATED THE TYPES OF coverage that could be sold by private insurers for half a century, the world of health care insurance has changed dramatically in the past two decades. Partly in response to concerns about the potentially adverse effects of managed care policies, the number of state and federal mandates covering small employers and managed care plans has increased dramatically in recent years. For example, there are currently more than 1,000 state coverage mandates. In the lead article of this issue, "Employer-Sponsored Health Insurance and Mandated Benefit Laws," Gail A. Jensen and Michael A. Morrissey describe the nature of both state and federal laws, provide possible explanations for the emergence of these laws, and assess their influence on private insurance markets and individuals. Mandates are attractive to consumers who are concerned about access to care, and to legislators who want to protect the interests of their constituents. However, Jensen and Morrissey conclude that workers and their dependents may pay indirectly for such mandates and that the costs fall disproportionately on employees of small firms.

A widely recognized limitation of the way health care is financed and provided in the United States is that our care systems are better designed to deal with acute conditions or events than to provide preventive care or care for chronic conditions. For example, Edward H. Wagner and colleagues have described how medical care often fails to meet the needs of chronically ill patients, even in managed, integrated delivery systems (*MQ* 74[4]:511–44). End-stage renal disease (ESRD) is an example of a chronic, progressive condition for which optimal care would involve management of comorbid conditions, preventive care, and better patient education. In their article for this issue, "Applying Disease Management Strategies to Medicare," Christopher P. Tompkins and colleagues describe the needs of ESRD patients and features of the current ESRD funding program. They discuss the opportunities for early treatment and prevention that could result in better outcomes for patients and might even reduce program costs. Although the authors use ESRD as a model,

many of their observations and recommendations apply to other chronic and complicated health conditions, such as cardiac disease, diabetes, and behavioral health problems.

Recent changes in financing the delivery of health care have not affected all parts of the country uniformly. Specifically, the growth of managed care has been more dramatic in urban areas than in rural parts of the country. However, the Balanced Budget Act (BBA) of 1997 contained several provisions that will increase payments to managed care plans that enroll rural Medicare beneficiaries. In *The Changing Landscape of Health Care Financing and Delivery*," Keith J. Mueller and colleagues explore how rural providers are preparing for the changes that are likely to occur as a result of the impact of the BBA. Based on their fieldwork and the case studies they conducted in six rural communities, they examine the development for new organizations and networks, new strategies for managing patient care, and new approaches to contracting with health insurers.

One regularly reads articles in the popular press about patients' concern that infections, such as HIV, will be transmitted to them from health care providers. Although this concern is often disproportionate to the actual risk, it nevertheless raises important policy and ethical issues related to reducing the probability of such transmissions. The effort to achieve reductions is complicated by the need to protect the welfare and interests of both patients and clinicians. In *Infected Physicians and Invasive Procedures: National Policy and Legal Reality*," Patti Miller Tereskerz, Richard D. Pearson, and Janine Jagger survey the legal issues and precedents of this question. Their review could be very useful to policy makers. For example, the Centers for Disease Control and Prevention currently is revising its recommendations for the management of infected health care workers. The authors offer recommendations that are relevant to those revisions and to the development of similar policies.

Sadly, maternal substance abuse is a significant contributor to infant morbidity and mortality. Although infant mortality rates have decreased by about 60 percent over the past 25 years, there is still considerable room for improvement. In *Maternal Substance Abuse and Infant Health: Policy Options across the Life Course*," John G. Frohna, Paula M. Lantz, and Harold Pollack provide a framework for viewing the female life course from a broader perspective and explicate the range of policy options for reducing the infant morbidity and deaths caused by substance abuse.

Abraham B. Bergman and colleagues argue that the Indian Health Service (IHS) is an important exception in the long history of problematic relations between American Indians and the federal government. They document the sustained effort of the IHS to improve the health of American Indians in "A Political History of the Indian Health Service." The authors review the history of the IHS, especially the actions of individual directors, staff, and members of the American Indian community that have led to the notable successes of this agency.

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