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NEWS CLIPS

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Official Defends British Health Service Against 'Outrageous Lies'

By Gardiner Harris

Conservative critics of President Obama's efforts to overhaul health care have made a habit of vilifying the British health care system, attacks that Britons have largely viewed with bemused detachment. No longer.

Leon Neal/Getty A placard hung by supporters of Britain's National Health Service on Wednesday in London.

"These are lies, outrageous lies," said Dr. Michael Rawlins, chairman of Britain's National Institute for Health and Clinical Excellence, in an interview. Known as NICE, Dr. Rawlins's organization decides which treatments Britain's National Health Service can afford and which it cannot.

Conservatives in the United States have made a particular point of criticizing NICE. The Wall Street Journal editorial page described NICE as a "rationing board" and wrote: "Americans should understand how NICE works because under ObamaCare it will eventually be coming to a hospital near you."

Dr. Rawlins said that his organization ensured that the N.H.S. used the best medicine possible within its limited budget. He was particularly incensed by a recent comment by Senator Charles E. Grassley, Republican of Iowa, who said that Senator Edward M. Kennedy, a Massachusetts Democrat who is suffering brain cancer, would not receive the same treatment in countries that ration health care.

Dr. Rawlins also took issue with remarks from a conservative group in the United States contending that the elderly in Britain did not receive adequate care. "That's absolutely outrageous," he said. "Half of the patients here who receive coronary bypass surgery and stents are over the age of 59, and 20 percent are over the age of 75."

Dr. Rawlins is part of a broad British backlash against American critics that already has landed David Cameron, the leader of the conservative Tories, in trouble. Reports that Daniel Hannan, a Tory member of the European Parliament, criticized the N.H.S. on TV programs in the United States created an uproar, forcing Mr. Cameron to distance himself from Mr. Hannan. Labor ministers gleefully declared Mr. Hannan to be unpatriotic.

On Thursday, Mr. Cameron gave a lengthy speech declaring "the conservative

party's commitment to the N.H.S."

"Conservatives rely on the N.H.S., work in the N.H.S., volunteer to help the N.H.S.," Mr. Cameron said. "This party wants to improve the N.H.S. for everyone."

The N.H.S. is very popular in Britain, and if Mr. Cameron ever suggested that he wanted to fundamentally change the system he would "become politically unelectable," Dr. Rawlins said.

Dr. Rawlins noted that defending the N.H.S. had become a political badge of honor in the United Kingdom. "These attacks from the U.S. have been good for the British," he said. In speeches, Dr. Rawlins routinely tweaks the United States for its profligate health care spending and poor results.

"We're not perfect," he said. "But any reasonable comparator between our two systems shows that you spend an extraordinary amount on health care to very little effect."

He said that the British, like most Europeans, were "shocked" that the United States did not guarantee health care to all of its citizens. And he predicted that the Republican Party would soon lose its fight against Mr. Obama's overhaul.

"If they have to rely on telling lies about British health care, they have lost already," he said.

5 Myths About Health Care Around the World

By T.R. Reid
Sunday, August 23, 2009

As Americans search for the cure to what ails our health-care system, we've overlooked an invaluable source of ideas and solutions: the rest of the world. All the other industrialized democracies have faced problems like ours, yet they've found ways to cover everybody -- and still spend far less than we do.

I've traveled the world from Oslo to Osaka to see how other developed democracies provide health care. Instead of dismissing these models as "socialist," we could adapt their solutions to fix our problems. To do that, we first have to dispel a few myths about health care abroad:

1. It's all socialized medicine out there.

Not so. Some countries, such as Britain, New Zealand and Cuba, do provide health care in

government hospitals, with the government paying the bills. Others -- for instance, Canada and Taiwan -- rely on private-sector providers, paid for by government-run insurance. But many wealthy countries -- including Germany, the Netherlands, Japan and Switzerland -- provide universal coverage using private doctors, private hospitals and private insurance plans.

In some ways, health care is less "socialized" overseas than in the United States. Almost all Americans sign up for government insurance (Medicare) at age 65. In Germany, Switzerland and the Netherlands, seniors stick with private insurance plans for life. Meanwhile, the U.S. Department of Veterans Affairs is one of the planet's purest examples of government-run health care.

2. Overseas, care is rationed through limited choices or long lines.

Generally, no. Germans can sign up for any of the nation's 200 private health insurance plans -- a broader choice than any American has. If a German doesn't like her insurance company, she can switch to another, with no increase in premium. The Swiss, too, can choose any insurance plan in the country.

In France and Japan, you don't get a choice of insurance provider; you have to use the one designated for your company or your industry. But patients can go to any doctor, any hospital, any traditional healer. There are no U.S.-style limits such as "in-network" lists of doctors or "pre-authorization" for surgery. You pick any doctor, you get treatment -- and insurance has to pay.

Canadians have their choice of providers. In Austria and Germany, if a doctor diagnoses a person as "stressed," medical insurance pays for weekends at a health spa.

As for those notorious waiting lists, some countries are indeed plagued by them. Canada makes patients wait weeks or months for nonemergency care, as a way to keep costs down. But studies by the Commonwealth Fund and others report that many nations -- Germany, Britain, Austria -- outperform the United States on measures such as waiting times for appointments and for elective surgeries.

In Japan, waiting times are so short that most patients don't bother to make an appointment. One Thursday morning in Tokyo, I called the prestigious orthopedic clinic at Keio University Hospital to schedule a consultation about my aching shoulder. "Why don't you just drop by?" the receptionist said. That same afternoon, I was in the surgeon's office. Dr. Nakamichi recommended an operation. "When could we do it?" I asked. The doctor checked his computer and said, "Tomorrow would be pretty difficult. Perhaps some day next week?"

3. Foreign health-care systems are inefficient, bloated bureaucracies.

Much less so than here. It may seem to Americans that U.S.-style free enterprise -- private-sector, for-profit health insurance -- is naturally the most cost-effective way to pay for health care. But in fact, all the other payment systems are more efficient than ours.

U.S. health insurance companies have the highest administrative costs in the world; they spend

roughly 20 cents of every dollar for nonmedical costs, such as paperwork, reviewing claims and marketing. France's health insurance industry, in contrast, covers everybody and spends about 4 percent on administration. Canada's universal insurance system, run by government bureaucrats, spends 6 percent on administration. In Taiwan, a leaner version of the Canadian model has administrative costs of 1.5 percent; one year, this figure ballooned to 2 percent, and the opposition parties savaged the government for wasting money.

The world champion at controlling medical costs is Japan, even though its aging population is a profligate consumer of medical care. On average, the Japanese go to the doctor 15 times a year, three times the U.S. rate. They have twice as many MRI scans and X-rays. Quality is high; life expectancy and recovery rates for major diseases are better than in the United States. And yet Japan spends about $3,400 per person annually on health care; the United States spends more than $7,000.

4. Cost controls stifle innovation.

False. The United States is home to groundbreaking medical research, but so are other countries with much lower cost structures. Any American who's had a hip or knee replacement is standing on French innovation. Deep-brain stimulation to treat depression is a Canadian breakthrough. Many of the wonder drugs promoted endlessly on American television, including Viagra, come from British, Swiss or Japanese labs.

Overseas, strict cost controls actually drive innovation. In the United States, an MRI scan of the neck region costs about $1,500. In Japan, the identical scan costs $98. Under the pressure of cost controls, Japanese researchers found ways to perform the same diagnostic technique for one-fifteenth the American price. (And Japanese labs still make a profit.)

5. Health insurance has to be cruel.

Not really. American health insurance companies routinely reject applicants with a "preexisting condition" -- precisely the people most likely to need the insurers' service. They employ armies of adjusters to deny claims. If a customer is hit by a truck and faces big medical bills, the insurer's "rescission department" digs through the records looking for grounds to cancel the policy, often while the victim is still in the hospital. The companies say they have to do this stuff to survive in a tough business.

Foreign health insurance companies, in contrast, must accept all applicants, and they can't cancel as long as you pay your premiums. The plans are required to pay any claim submitted by a doctor or hospital (or health spa), usually within tight time limits. The big Swiss insurer Groupe Mutuel promises to pay all claims within five days. "Our customers love it," the group's chief executive told me. The corollary is that everyone is mandated to buy insurance, to give the plans an adequate pool of rate-payers.

The key difference is that foreign health insurance plans exist only to pay people's medical bills, not to make a profit. The United States is the only developed country that lets insurance

companies profit from basic health coverage.

In many ways, foreign health-care models are not really "foreign" to America, because our crazy-quilt health-care system uses elements of all of them. For Native Americans or veterans, we're Britain: The government provides health care, funding it through general taxes, and patients get no bills. For people who get insurance through their jobs, we're Germany: Premiums are split between workers and employers, and private insurance plans pay private doctors and hospitals. For people over 65, we're Canada: Everyone pays premiums for an insurance plan run by the government, and the public plan pays private doctors and hospitals according to a set fee schedule. And for the tens of millions without insurance coverage, we're Burundi or Burma: In the world's poor nations, sick people pay out of pocket for medical care; those who can't pay stay sick or die.

This fragmentation is another reason that we spend more than anybody else and still leave millions without coverage. All the other developed countries have settled on one model for health-care delivery and finance; we've blended them all into a costly, confusing bureaucratic mess.

Which, in turn, punctures the most persistent myth of all: that America has "the finest health care" in the world. We don't. In terms of results, almost all advanced countries have better national health statistics than the United States does. In terms of finance, we force 700,000 Americans into bankruptcy each year because of medical bills. In France, the number of medical bankruptcies is zero. Britain: zero. Japan: zero. Germany: zero.

Given our remarkable medical assets -- the best-educated doctors and nurses, the most advanced hospitals, world-class research -- the United States could be, and should be, the best in the world. To get there, though, we have to be willing to learn some lessons about health-care administration from the other industrialized democracies.

Rail employment up fractionally in July

August 24, 2009

U.S. Class I railroads employed 150,400 workers in mid-July, 786 more than they employed in mid-June. The 0.53% month-over-month increase was welcome news after a long decline, but the numbers were still 8.65% below July 2008.

The biggest numerical increase in July compared with the prior month was in the transportation (train and engine—or operating crew) category, where employment rose 2.49%.

Two other groups also showed month-over-month increases—professional and administrative, up 4.26%, and maintenance of way and structures, up 0.14%.

Only one group showed an increase over July 2008 — professional and administrative, up 0.61%. Declines were registered in the categories of executives, officials, and staff assistants, down 6.84%; maintenance of way and structures, down 1.07%; maintenance of equipment and stores, down 6.08%; transportation (other than train and engine), down 1.62%; and transportation (train and engine), down 16.60%.

Specter Indicates Support for Modified EFCA Legislation

Melanie Trottman *in Washington, D.C., and* ***Jake Sherman*** *in Pittsburgh report on labor.- Wall Street Journal*

August 24, 2009

Pennsylvania Sen. **Arlen Specter** continued remaking himself as a Democrat at Netroots Nation in Pittsburgh this afternoon, when he said he would support a cloture vote on a modified version of the Employee Free Choice Act.

Specter, who's helping lead efforts to reach a compromise bill among a small group of Democratic senators, stopped short of saying a deal on a modified version had been reached.

"I expect the cloture vote to occur on a modified version of the Employee's Free Choice legislation. And I will support that cloture vote," Specter said.

His assertion about an expected vote raises the likelihood that the negotiating senators will indeed be able to reach a final compromise that makes the controversial bill more palatable to them and their constituents who oppose the bill in its original form.

The original bill would make it easier for unions to organize workers by bypassing secret-ballot elections favored by employers, and instead collect a majority of signed petition cards from workers before an employer finds out. It would also give more authority to federal arbitrators to intervene in contract disputes and impose settlements. Unions say they need the bill to prevent employer intimidation of workers, while employers say bypassing secret-ballot elections would infringe on workers' rights.

Specter's comment Friday came in a cavernous room in the David L. Lawrence Convention Center in Pittsburgh during the annual liberal activist convention. He took the stage before his Democratic Senate primary opponent, Rep. **Joe Sestak**. Sestak has been hammering Specter, tying him to GOP missteps of the Bush years.

Specter caused heads to turn when he vowed to place a telephone call to Iowa Republican Sen. **Chuck Grassley** to complain about his comment on “death squads” in the health care bill. Specter invited a blogger backstage while he made the call to Grassley, who wasn’t available to take the call.

Specter has a leg up in the Senate primary: the support of President **Barack Obama**, Vice President **Joe Biden** and Pennsylvania Gov. **Ed Rendell**. Sestak dismissed those endorsements and said that constituents don’t care who supports whom, but what the lawmaker does while in Washington. Obama didn’t win the election because of political calculations, Sestak said, he did it because he was audacious.

The news of Specter’s pending support for a cloture vote on any modified version of EFCA incited some heated response from the bill’s opponents from the business community. **Keith Smith**, the director of employment and labor policy for the National Association of Manufacturers, said his group has been urging Specter to oppose any version of the bill.

“There simply is no way that such a fundamentally flawed bill could be improved, modified or not,” he said. “Many of the provisions that are being circulated as part of the Capitol Hill backroom discussions are just as onerous as EFCA in its current form.”

The provisions to which Smith is referring include faster organizing elections in exchange for dropping the so-called “card-check” portion of the bill.

CSXT prepares major bridge, track projects in Ohio

Monday, August 24, 2009

CSX Transportation Inc. will raise and remove bridges and lower railroad tracks throughout Northeast Ohio starting next year as part of its $840 million National Gateway plan, according to the *Akron Beacon Journal.* The local work includes removing the Park Street bridge in Akron, replacing the Knapp Road bridge in Ravenna and raising the Portage County Hike & Bike Trail in Kent.

The overall project is designed to improve container shipping between mid-Atlantic ports and the Midwest. The work in Northeast Ohio will provide more bridge clearance so the railroad can carry double-stack trains - a move that will help take trucks off the highways, saving fuel and shipping costs, CSX said.

"We think it's an exciting project and one that will provide many benefits for Ohio and indeed the American economy," CSXT spokesman Bob Sullivan said.

He estimated that the railroad company, and the state and federal governments, are spending $235 million in Ohio.

As part of the project, CSXT started construction earlier this year on the Northwest Ohio Intermodal Terminal, a $175-million rail facility in Wood County south of Bowling Green.

CSXT and the Ohio Department of Transportation District 4 hosted an open house in Rootstown Township to update the public about the local projects. Officials said they don't expect any major impact on local residents.

The local projects are:

Akron: Lower the tracks at Thornton Street and the University of Akron overhead walkway and remove the bridge at Park Street.

"We're supportive of the work," Akron Service Director Richard Merolla said. "The Park Street bridge needed to come down anyway. I don't think anybody will miss it."

Harrisville Township: The tentative plan is to remove the Pawnee Road bridge and replace the Rivers Corners Road bridge.

Kent: Lower the tracks at the Wheeling & Lake Erie railroad bridge and Main Street bridge and raise the Portage County Hike & Bike Trail and ABC railroad bridge.

Ravenna: Lower the tracks at Norfolk Southern railroad bridge; replace the Knapp Road bridge.

Westfield Township: Replace the Mud Lake Road bridge.

The work will begin next year and continue for three years, officials said. Specific construction dates have not been set, they said.

FRA chief: passenger grants to benefit freight

Monday, August 24, 2009

The first state applications for "shovel-ready" passenger rail projects are due into the Federal Railroad Administration on Aug. 24, and FRA Administrator Joseph Szabo thinks some of the federal grants to follow will need to help freight lines get ready for more and faster passenger trains, reports *The Journal of Commerce*.

Szabo told *The Journal of Commerce* much of the construction work related to the administration's high-speed rail initiative will, in fact, be to add new regular Amtrak passenger operations or speed them up in corridors owned and actively used by freight railroads

The Recovery Act provides $8 billion for high-speed rail projects, and President Obama has asked for an additional $1 billion a year in the federal budget to keep spurring passenger use of trains between cities. The FRA's Aug. 24 deadline is for states to submit their "Track 1" passenger rail projects they could complete most quickly.

While the high-speed rail funding pool will jump-start a few projects to build very fast passenger trains - in the range of 200 mph -- with their own dedicated rights of way, Szabo said that "in 90 percent of the cases or more, the host railroad will be the freight."

That means "it is reasonable to assume that in many cases there is going to be the need for capacity enhancements" by the freight railroads, he said. "To the extent it can be shown that it's a necessary component of the project that is then an eligible expense for the high-speed rail grant funding."

Rail industry officials say increasing speeds on a freight line or getting it ready for initial Amtrak service can mean installing new types of track, upgrading signals and building more siding tracks to allow slower freight trains to move off a single-track main line so faster passenger trains can pass.

In some areas where passenger speeds could go much higher than now, for them to operate in a freight right of way could require double-tracking the rail line to make sure there is enough capacity at all times.

Making sure people use trains for intercity service will require not only faster train speeds but reliable on-time performance, and regulators are preparing to enforce the standards even if it means penalizing freight railroads when they slow the passenger service.

"If the freights are going to be held to a higher standard," Szabo said, "frankly, they are going to need additional infrastructure."

Szabo said after states submit their Aug. 24 applications, his agency will review them and send them to Transportation Secretary Ray LaHood about mid-September, so the first round of high-speed rail grants should come "early this fall."

He said for freight lines to adjust to those new demands on train moves within their corridors "it's only fair, it's only reasonable that that will result in additional demands for capacity improvements, and so that has to be a part of this negotiation."

8/26/2009 Crosstie Market

RTA report: Tie purchases climb, production falls in July

In July, crosstie production and purchases — which had been relatively stable since April — went in different directions, according to the Railway Tie Association's (RTA) monthly tie market report. Tie production dipped 1 percent to 2 million units while purchases increased 4 percent to 1.9 million units compared with July 2008 data.

During 2009's first seven months, production soared 34 percent to 14.8 million units, but purchases only inched up 0.2 percent to 13.2 million units vs. figures from the same 2008 period.

Twelve-month rolling data showed production, which totaled 24 million units, "was booming at a 22 percent annual rate," RTA officials said in the report. However, purchases totaling 20.1 million units declined at a 1.5 percent annual rate.

Tie inventories, which jumped 21 percent during the past 12 months, increased only 0.7 percent to 17.8 million units compared with previous 12-month rolling data.

The inventory-to-sales ratio in July remained at 0.85, which is well above the five-year average of 0.76, RTA said.

8/27/09

PROGRESSIVE RAILROADING (EXCERPT)

Finally, UP announced it began an $11 million track improvement project on its

Hiawatha-to-Upland, Kan., line. To be completed in September, the project calls for removing and installing more than 72,000 ties, replacing rail in various curves, spreading more than 30,000 tons of ballast and renewing road surfaces at 123 grade crossings.

8/27/2009 Lobbying

Florida coalition urges USDOT to back funding for HSR studies

Newly formed coalition group ConnectUs Inc. recently sent letters to U.S. Transportation Secretary Ray LaHood urging him to support Florida's application for $30 million in federal funding to conduct preliminary engineering work and perform environmental studies for the Orlando-to-Miami high-speed rail (HSR) corridor.

The Florida Department of Transportation (FDOT) has split a proposed Tampa-Orlando-Miami HSR line into two separate projects to comply with federal funding application criteria. FDOT plans to submit an application for $2.5 billion in American Recovery and Reinvestment Act funds for the Orlando-to-Tampa corridor.

The Orlando-Miami study would analyze two proposed HSR corridors: one from Orlando International Airport along the Beach Line to Interstate 95, and one from the airport along the Florida Turnpike to Ft. Pierce and south Florida. Both alignments would end in Miami and serve West Palm Beach, Fort Lauderdale and the Miami Intermodal Center.

Earlier this month, state and local business, labor and environmental leaders formed ConnectUs to promote the development of HSR lines in Florida.