

Wal-Mart

Duke Calls for Expanded Health Care

BENTONVILLE, Ark. — Wal-Mart Stores, which led the way in reducing the price of generic drugs two years ago, favors reforming the U.S. health care system to reduce costs “because health care reform without controlling costs is no reform at all,” Mike Duke, president and chief executive officer, said earlier this year.

In a letter to President Obama co-signed by the heads of the Service Employees International Union and the Center for American Progress, Duke said he favors shared responsibility in the form of an employer mandate “[that] is fair and broad in its coverage,” encompassing as many businesses as possible.

Duke also said he favors guaranteed cost containment measures in any legislation — “pre-specified targets for spending growth, [with] a trigger mechanism that automatically enforces reductions,” he noted — arguing that “with smart, targeted policies, we can create a financially viable health care system that enables workers to change jobs without losing their care and allows business to become more nimble.”

In a follow-up to Duke's June 30 letter, the company said employers will have to make a choice on whether to support the reform legislation Congress devises, “[and] the choice will require employers to consider the tradeoff of a coverage mandate and higher taxes for the promise of a reduction in health care cost increases.”

Wal-Mart said any proposal will need trigger provisions “that guarantee that promised savings take place both for the federal government and for employers who provide insurance. If we support a mandate and are being asked to pay higher taxes, we should be assured in return that

savings will be real.”

Wal-Mart, although frequently criticized by the United Food and Commercial Workers for the level of coverage it provides its own workers — previously joined with the SEIU in 2007 in calling for universal health care coverage for all Americans by 2012. The two are founding members of the Better Health Care Together Coalition, which seeks to curb the rising cost of health care, among other goals.

Wal-Mart also funded the launch of the Center for Innovation in Health Care Logistics at the University of Arkansas, which seeks to find technologies that could streamline health care delivery.

In its own stores, the company is working to roll out in-store clinics — “The Clinic at Wal-Mart” — during the next two years that will be affiliated with local hospitals. Nearly half of all clinic users are uninsured, the company said.

Wal-Mart also distributes health information in its stores, and actively promotes its \$4 generic-drug program, according to Bob Gorland, Harrisburg, Pa.-based vice president for Matthew P. Casey & Associates, Clark, N.J., a supermarket consulting firm.

Wal-Mart offers a comprehensive health and wellness program online. Utilizing data from the Food and Drug Administration, Healthnotes (doing business as Aisle 7), WebMD and other sources, Wal-Mart divides its health and wellness website into three categories: Eat Well, Get Fit and Take Care, each with its own selling suggestions and its own forum for consumer comments.

— Elliot Zwiebach