

Walmart raises health-care premiums

It rolls back eligibility for coverage among part-time workers, too

By Anne D'innocenzio
THE ASSOCIATED PRESS

Walmart Stores Inc., the nation's largest private employer, is scaling back the eligibility of health-care coverage offered to future part-timers and dramatically raising premiums for many of its full-time workers.

Industry observers say the changes could have implications

for millions of other workers, as more companies on the fence could replicate its moves.

The discounter, which employs more than 1.4 million workers, said the changes were forced by rising health-care costs. All future part-time employees working less than 24 hours a week, on average, will not be covered under the plan, starting next year.

Premiums will rise for many existing workers, and the company will reduce by half the amount it contributes for each worker to help pay for health-care expenses

DID YOU KNOW?

Walmart Stores Inc. is Southern Arizona's fifth-largest overall employer, and second-largest private employer, with 7,308 full-time-equivalent employees at the beginning of this year, the Star 200 survey shows.

not covered under their plan. Tobacco users will be particularly hit hard, seeing premiums more than double compared with increases of as much as 41 percent for sin-

gles, according to Making Change at Walmart, a group backed by the United Food and Commercial Workers International Union, which has been pressuring Walmart on worker rights.

"We are striking a balance between managing costs and providing quality care and coverage," said Greg Rossiter, a Walmart spokesman. He emphasized that Walmart's health-care coverage remains "top tier" among its peers.

A number of companies have been looking for ways to cut health-care costs and have been

shifting more of the burden to their employees. The costs of employer-sponsored health insurance surged 9 percent this year, said a report last month by Kaiser Family Foundation and the Health Research and Educational Trust.

But a big package of cuts from one company is unusual, said Drew Altman, CEO of the Kaiser Family Foundation. "While we do see increases in cost sharing, this is unusual and is outside the bounds," he said. "It could provide

See WALMART, A13



Reena Zutshi, right, shown working with researcher Carolyn Shomin, is president and CEO of Luceome Biotechnologies. The UA spinoff company received a \$1.6 million grant to develop KinaseSeeker, which helps speed the process of finding effective cancer drugs.

DAVID SANDERS / ARIZONA DAILY STAR

Las Cazuelitas passes health check, won't be shut down

By Phil Villarreal
ARIZONA DAILY STAR

After six consecutive failed inspections, Las Cazuelitas de Tucson has managed to earn the Pima County Health Department's approval.

"We're good to go," restaurant owner Abelard Frisby said. "We just want the public to get a good idea that this wasn't a hazardous issue. People weren't getting sick."

The department placed the Mexican restaurant, at 1365 W. Grant Road, on an intervention program that placed it in danger of having its license revoked.

Las Cazuelitas received a provisional license after being written up for four critical violations during an Aug. 5 inspection. It failed follow-up inspections Aug. 16 and 26, as well as Sept. 6, 16 and 27. The restaurant passed muster on Oct. 7.

Las Cazuelitas joined midtown Chinese restaurant Gee's Garden as the only Pima County restaurants believed to have been placed on intervention programs since the Arizona Food Code was revised in 2002. The interventions are the final step before the county closes a restaurant down.

"The restaurant will be inspected more frequently until we are sure they will stay in compliance," said Jeff Terrell, Pima County Consumer Health and Food Safety program manager, via email.

Frisby said the failed inspections hurt business by creating an unfair perception that the restaurant was unsafe.

The reason the restaurant kept failing was because of a plumbing problem involving the dish machine and sanitizer sink, which drained into the grease trap. Frisby completed a \$16,000 renovation that now makes the plumbing comply with the Arizona Food Code.

Frisby said the original plumbing was installed in 1978 under previous ownership, and that a grandfather clause allowed it to remain in place until the recent run of inspections.

He said the reason the repair took so long to complete was that it took weeks to get approved for the loan, jump through city permit hoops and complete construction.

Other previous health-code violations included dirty dishes placed with clean ones, foods stored at too-high temperatures in refrigerators and an employee not washing his hands after handling eggs.

Frisby said his staff has corrected those issues and underwent training through the county to get up to date on food-handling procedures.

"It's important for the public to know this is not something we take lightly," Frisby said. "We've been in business for 11 years and aren't going to get sloppy."

Contact reporter Phil Villarreal at pvillarreal@azstarnet.com or 573-4130.

Luceome receives NIH grant to put technology on market

UA spinoff's product speeds finding right cancer-fighting drug

By Michelle A. Monroe

ARIZONA DAILY STAR

Luceome Biotechnologies, a University of Arizona spinoff company, received a \$1.6 million grant from the National Institutes of Health to commercialize its drug research technology.

The grant award will help Luceome develop a product called KinaseSeeker that helps speed the process of finding effective cancer drugs.

Indraanee Ghosh, a UA chemistry professor, and his wife, Reena Zutshi, started the company in 2009.

The latest NIH award, a Phase II Small Business Innovation Research grant in August, follows a \$287,000 Phase I

SBIR grant the company won earlier this year.

"We more than met the goals and more than met the expectations for the first grant," said Zutshi, the company's president and CEO.

In humans there are more than 500 kinases, which are enzymes that act on specific proteins to transmit signals and control complex processes in cells.

These can be tested to see how they react to certain molecules in drugs. If molecules can be found that are more selective in which kinase they attack, "then you can actually find a compound that is not just potent but is also going to have fewer side effects because it will not bind or inhibit the kinases that are necessary for normal function of the body," Zutshi said.

Personalized medicine, like

Luceome's, is the future of health care, said Joan Koerber-Walker, president and CEO of the Arizona BioIndustry Association (AzBIO).

"These new tests, like Luceome's, allow us to identify the various interactions that are going on inside the molecule," Koerber-Walker said. "As that happens, we get much more information that's much more sensitive to the patient's needs, and much more effective."

The \$1.6 million grant will help the company get its product to market, Zutshi said.

"In the Phase II grants you have to show how you're going to commercialize the product, and what you're going to do technically to get to that goal," she said.

So far the company has identified 100 kinases, and with the new grant hopes to identify 200 more in the next two years.

"Our goal is to get as high as possible to the 500 mark, but that's easier said than done," Zutshi said.

The more kinases that are documented, the more personalized health-care professionals can make treatments.

Different solutions like Luceome's KinaseSeeker allow us to get the right treatment to the right patient at the right time," Koerber-Walker said.

The Phase I grant was to fund research on the feasibility of a test to detect poly(ADP-ribose), a family of proteins that can signal DNA damage. The grant allows for subsequent Phase II submission for development of test kits to be used in the discovery of new drugs.

Michelle A. Monroe is a University of Arizona journalism student and a NASA Space Grant intern. Contact her at mmonroe@azstarnet.com

MARKET ROUNDUP

A broad rally swept through the stock market Friday after McDonald's, General Electric Co. and several other large companies reported solid earnings. The Standard & Poor's 500 index closed higher for the third straight week, its best run since February. The Dow is now up 2 percent from where it started 2011. The Dow has risen for four weeks straight, for the first time since January.

HIGH LOW CHANGE CLOSE

▲ DOW30 11,812.46 11,542.84 +267.01 11,808.79

▲ NASDAQ 2,646.92 2,611.11 +38.84 2,637.46

▲ S&P 500 1,239.03 1,215.39 +22.86 1,238.25

▲ Russell 2000 712.65 702.05 +16.00 712.42

S&P 500

Close: 1,251.78

Change: -12.07 (-1.0%)

10 DAYS

1,280

1,240

1,200

1,360

1,280

1,200

1,040

M J J A S O N

LOCAL AND WIDELY HELD STOCKS

NAME TICKER CLOSE CHG %CHG %CHG YTD VOL (Thous)

AMR AMR 2.69 -.19 -.66 -.65 16403

AT&T Inc T 29.13 +.14 +0.5 -.9 5.9 29100

Alcoa AA 10.23 +.28 +2.8 -.335 1.2 28268

Apple Inc AAPL 392.87 -.244 -.06 +21.8 21664

Augusta g AZC 3.37 +.06 +1.8 -.115 ... 108

BE Aero BEAV 35.77 +1.28 +3.7 -.34 ... 775

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