

Public should be outraged at our health care system

By William True

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“I’m mad as hell, and I’m not gonna take it anymore!” This bit of movie dialogue was spoken by a TV news anchorman some years back. It should be a cue to the American public to express outrage over our failing health-care system. We must demand that our political leaders act to provide a system that makes sense.

Evidence that health care in the United States is out of control is overwhelming. Increasing millions of working Americans and their families cannot afford insurance and are going without adequate health care. At the same time we are spending far more on our health system, and devoting a much greater portion of our gross national product to it, than any developed nation in history. Governmental leadership for change must be taken, and soon, if a complete disaster is to be avoided.

The United States must remove the control of its health-care system from the hands of the providers. The medical profession, and hospital executives together with their governing boards, are the primary providers controlling our distorted system.

Hospitals are constructed, expanded and maintained without regard for need. Wasteful duplication of extremely expensive technology occurs without restraint. Fee-for-service doctors perform excessive and frequently dangerous surgeries, treatments and tests with little or no restriction.

Evidence of unneeded hospitals is very clear in California, with many operating at 50 percent to 60 percent occupancy rates and some even lower. Research confirms duplication of high-tech capability in the area of open-heart surgery; for example, with too many hospitals and medical staffs providing the costly procedure. This is not simply wasteful of resources. The low volume of heart surgeries at many of the hospitals limits their expertise and causes excessive deaths.

Recent news reports focused on a financial turnaround planned by a Los Angeles area hospital with fiscal problems. Upon advice from a national accounting firm, it will spend \$1.5 million to start an open-heart surgery program. This may make sense for that hospital, but it’s a negative for the health-care system. Patients for this new heart service will be drawn from other hospitals already doing too few of the surgeries to be either cost effective or safe.

Each of the provider forces has its self interest in maintaining our inefficient system. The hospital executives are protecting their jobs (more hospitals, more CEOs), the governing boards have at least civic pride and prestige at stake (“our community hospital does open heart surgery just like the regional medical center.”), and fee-for-service doctors make more money through ready access to the high-tech capabilities of the numerous hospitals.

Some system of universal health care is the only answer to the growing millions of Americans without care. Even the associations of the medical profession and of

hospitals have recognized this and are advancing their own ideas. But the self-interest of these groups will ensure that their proposals perpetuate present wasteful practices, and minimize effective cost controls.

A few years ago a reputable and growing non-profit HMO proposed leasing some of my hospital's beds. At the time we were running about 60% occupancy, and increasing our charges with regularity to keep the bottom line out of the red. The proposal made sound economic sense. But fee-for-service doctors strongly oppose HMOs, which use salaried physicians, seeing them as a threat to their incomes. I therefore took the matter up with medical staff leaders and my board of trustees. The non-physician board members thought it was a good idea. Doctors on the board, however, and others on the medical staff were outraged that such a relationship with an HMO would even be considered. The proposal was rejected. The consequences of this action included the following:

- My hospital and our expensive technology continued to be seriously underutilized, with continued increases in charges.
- The HMO's patients in our area requiring hospitalization had to travel substantial distances to crowded facilities.
- The HMO had to finance and build a new hospital.

This experience is typical of the gross misallocation of resources that flow from our present provider-controlled health-care system. The so-called "competition" in health care promoted during the past decade as a means of controlling costs and properly allocating resources has failed for a simple reason. There is no free market to direct the activities of health-care delivery. As patient populations decline, hospitals actually expand facilities and services, and simply raise their charges to pay for the irrational expansion. As the number of doctors increases, physicians step up excessive treatments and care to maintain their incomes. Only externally imposed controls can give us a rationally directed health-care system.

An article in the December 21, 1989 issue of *The New England Journal of Medicine* was entitled "National Health Insurance – The Triumph of Equivocation." The authors discuss our long history of equivocation on a universal health-care system and conclude that it will come when we have ". . . an upwelling of popular discontent . . ."

Agreed! So let's hear it, American: "We're mad as hell, and we're not gonna take it anymore!"

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