

>>> Gov. Brownback is proposing to overhaul Medicaid by returning to  
>>>managed care.

>>> Yesterday I got a letter from Blue Cross asking if I would be  
>>>interested in participating if they bid on the contract, so the  
>>>game is afoot.

>>>

>>> Lord knows it needs overhauling. Medicaid is to the states what  
>>>Medicare is to the feds: a program which saddles our grandchildren  
>>>tomorrow with the costs of health care for the poor today.

>>>

>>> Many readers remember managed care. You will recall, for instance,  
>>>that when your kid had a temperature of 103 and was throwing up in  
>>>the middle of the night you had to get permission from your doctor  
>>>before you could go to the ER.

>>>

>>> Your doctor remembers, too-- all those unnecessary awakenings in  
>>>order to give obvious authorizations. When managed care went away,  
>>>and I was no longer a "gatekeeper" (what an epithet for a  
>>>physician!), my evening and weekend phone calls dropped by about  
>>>80%. Office paper-pushing by my nurses did, too.

>>>

>>> Being a plastic surgeon, Lt. Gov. Collyer never had to experience  
>>> this downside of managed care. That was for those of us in  
>>> pediatrics, family medicine, and internal medicine. I want to  
>>> remind him about those useless, uncompensated disruptions to our  
>>> family lives.

>>>

>>> On the positive side, managed care was the only program in the last  
>>>half century to arrest the unsustainable inflation in medical  
>>>costs. For a few years in the mid-1990s, our voracious consumption  
>>>of health care flattened out.

>>>Then

>>> managed

>>> care went away, and costs surged again.

>>>

>>> The most extreme form of managed care was called "full capitation",  
>>>and I was smack in the middle of it. I was responsible for every  
>>>dollar spent on my patients, whether provided by me, a hospital, or  
>>>a specialist. You can bet that I paid close attention. For  
>>>instance, there was the Kansas City neurosurgeon who operated on  
>>>one wrist of one of my patients, and charged for both.

>>> I

>>> caught

>>> that by poring over the expenditures line by line.

>>>

>>> What happened?

>>>

>>> It took a while, but patients finally figured out that their primary  
>>>care doctors were being rewarded for restricting their access to  
>>>medical services.

>>> Game over.

>>>

>>> It didn't matter that ethical professionals would never withhold  
>>>necessary care.

>>> Not every professional is ethical. Trial lawyers sniffed blood in  
>>>the water, and the potential conflict of interest poisoned the  
>>>doctor-patient relationship.

>>>

>>> How can I persuade a patient that his headache doesn't require an  
>>>MRI if he knows I'm going to make a few extra bucks by talking him  
>>>our of it?

>>>

>>> So here comes Round Two. Managed care organizations will compete to  
>>>offer the low bid for a package of services, and then they will try  
>>>to devise an incentive package sweet enough for primary care docs  
>>>to put up with extra calls at

>>> 2 a.m.

>>> I wish them luck.

>>>

>>> It's not that medicine can't use some managing. There is enormous

>>>waste in the American medical industry. Problem is, the only  
>>>logical manager is the patient, who has no incentive to do so. The  
>>>government hasn't been able to do it.

>>> The

>>> insurance companies haven't been able to do it. The doctors did it,  
>>>but hated it, and so did the patients.

>>>

>>> Why would anything be different this time?

>>>

>>> I can only think of one reason. Poor people are hard to manage.

>>>Often they are poor because they live chaotic, disorganized lives.

>>>And they tend to be more demanding than insured patients, due to

>>>the entitlement mentality inbred by the welfare state.

>>>

>>> However, the poor are also less likely to find a lawyer to take

>>>their entitlement to court. They tend to make unsympathetic

>>>plaintiffs, due to their low incomes and frequent failure to comply

>>>with medical treatment.

>>> There's no

>>> pot of gold at the end of that contingency-fee rainbow, so there

>>>won't be any seminars at national legal meetings describing how

>>>justice can be served at the expense of malpractice insurers.

>>>

>>> Therefore, for purely cynical reasons, Medicaid managed care just

>>> might work.

>>>

>>> There is a more honorable alternative, which treats the poor as if

>>>they are rational moral agents capable of making prudential

>>>decisions about their own welfare, rather than pawns to be

>>>"managed". Federal Medicaid law allow states to devise

>>>consumer-driven health plans involving health savings accounts.

>>>

>>> Indiana, for one, is experimenting with this approach.

>>>

>>> It combines comprehensive coverage with financial incentives to

>>> consume health care responsibly. I don't know if it will work.

>>> It's an experiment.

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>>> For moral reasons, I wish the administration would have Kansas join

>>> Indiana in the laboratory of democracy.

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