

## **Abolition of fee-based practices is key to health care reform**

When I was in the hospital for 51 days in 2007, one doctor visited me regularly for weeks, looked at my chart, asked how I was, maybe used his stethoscope and each time sent me a bill for \$200-\$300 – only half of which my insurance company would pay.

At least it wasn't the \$59,490 *Bloomberg Business Week* reports one such "uninvited" (an industry term) doctor demanded for a cardiac ultrasound that should have cost under \$100.

Unfortunately, such incidents are but a flicker on the IMAX of excess charges, over-testing and over-treatment which are corrupting and bankrupting the American medical system.

The root of the problem is fee-based testing and treatment, commonly called "fee for service."

In a fee-based system, the more doctors, hospitals, drug companies and device manufacturers do to test and treat patients the more they get paid.

Fees create a massive financial incentive to test and treat and a conflict of interest between doctor and patient. They inflate health care costs and increase risk for patients. The system's billing alone may account for as much as 30 percent of health care costs.

Abolishing fee-based medicine is the most important step we could take to reform not only Medicare and Medicaid but the entire American health care system.

There is no evidence that more expensive digital mammograms improve cancer detection in women over 65. Yet, after the device's largest manufacturer, General Electric, lobbied and made campaign contributions to key politicians, Congress passed a bill forcing Medicare (the over-65 program they tell us needs to cut spending!) to pay for them -- at a cost in excess of \$100 million dollars a year.

Hospitals post billboards and television ads for their new cardiac team duplicating another hospital's down the road. Drug companies conjure up non-existent diseases and advertise expensive but otherwise useless drugs no better than generics.

Orthopedists invest millions in their own surgery centers and radiologists in their own imaging centers, at once raising their investment costs and gravely biasing their decisions in favor of fee-earning procedures.

That no one escapes the financial trap is evident when even our primary care doctor here in Eastern Oregon charged my wife \$132 for a tetanus shot which costs \$15 at county health.

At a time when our health care system is under the gun for spending too much, somewhere between \$500 and \$850 billion (about the total added cost of “Obamacare”) is spent on procedures known to be unnecessary, ineffective and/or risky.

- Back surgery: almost always worse than rest or alternative treatment.
- Heartburn surgery: useless.
- Implanted defibrillators: one-third unnecessary.
- Angioplasty and coronary stents. Usually no better than heart drugs.
- Coronary bypass: victims are routinely frightened into alleged emergency surgery following cardiac “incidents.”
- Cesarean section: a high-tech choice way overdone compared to other countries with fewer complications.
- CT scans: overused in ER’s and for routine ailments and injuries.
- Cancer treatment: after certain standard protocols are tried, treatment degrades into unscientific guesswork and experimentation cloaked in a mythology of victory but at odds with patient welfare.

Paying by test and treatment not only leads to excessive cost and risk, it detracts from beneficial practices that pay little or nothing: consultations; preventive care; watchful waiting; prevention of hospital errors; less costly, non-invasive treatments, including drugs (yes, drugs can be the best treatment); rest; research on inexpensive treatments and research which might discredit a drug or device.

To expect vouchers and “free markets” to solve the problem of soaring medical costs is a sick joke. Few healthy patients, to say nothing of the seriously ill and their frightened families, have the ability to challenge the medical “experts” overwhelming them with tests and treatments.

Ironically, the multi-hundreds of thousands and millionaire specialists, for all the money they rake in, seem just as unhappy as primary care doctors pressured every day by their finances to turn a blind eye to their patients’ welfare.

The only solution is to eliminate all financial incentives for testing and treatment. Put all doctors on salary and all hospitals and insurance companies on per-patient allotments.

That would be real reform with less bureaucracy, for both citizens and society.

*Note: A follow-up column on an alternative health care system is coming. Woodbury has a daughter in family practice.*