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# Western Journal of Emergency Medicine: Integrating Emergency Care with Population Health

#### **Title**

President's Message: Unconventional Wisdom

#### **Permalink**

https://escholarship.org/uc/item/3j26q02t

#### **Journal**

Western Journal of Emergency Medicine: Integrating Emergency Care with Population Health, 4(1)

#### **ISSN**

1936-900X

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#### **Publication Date**

2003

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8) "Our business is education and patient care. Poorly educated patients and families make bad decisions in times of illness and crisis..."

Deciding to participate in filming is likewise a bad decision.

9) "While none should question the basic patient right to privacy, in this debate we should not be so naïve as to believe that the only source of assault on patient confidentiality is from the video media."

Nonetheless, this is the particular assault we are debating now, but as physicians, we have an obligation to defend <u>all</u> attacks on privacy on behalf of our patients.

10) "It is not clear that such a prohibition would survive a First Amendment challenge."

This is completely wrong. It is very clear, as established by a series of court rulings that I have detailed elsewhere that there are limits as to what can and cannot be filmed by film crews. This point is not debatable.

Finally, we should not choose to participate in filming of commercial filming based merely on our own desire to participate. Having said "no" to this activity is a badge of courage that I am proud to wear.

## PRESIDENT'S MESSAGE:

# Unconventional Wisdom Paul Windham, MD, FAAEM, CAL/AAEM President

Economics is not a strong suit for most physicians, but I believe it is important to understand the economic forces driving the collapse of our safety net. Despite the conventional wisdom, it is not population growth, the aging of our population or the imposition of managed care that are driving this collapse. I propose that the state of the economy that is primarily responsible for our dilemma.

Health care spending is driven primarily by changes in personal income, with a lag period of about four years. This has been clearly demonstrated by Richard Cooper, MD, the director of the Health Care Institute at the Medical College of Wisconsin. Tom Getzen of Temple University was the first to demonstrate that demand in health care is driven by how much a nation can afford to spend. Wealth, as measured by per capita income, is the determining factor. As a nation becomes wealthier, its citizens demand more and better health care. Getzen and others have shown that health care spending grows about 1.5 times as fast as personal income. The economists Uwe Reinhardt of Princeton and Mark Pauly of Wharton have shown that increased health care spending is an important driver of the economy, and if this drops spending will have to increase somewhere else to avoid contraction of the economy. The problem they see is that the government does so much of the spending on health care. Governmental programs are notoriously inefficient, and that inefficiency slows economic growth. Population growth drives spending on health care because more people translates into increased demand, but the increase in economic growth fueled by an expanding population more than pays for it. Again we see that economic growth drives health care demand. Health care is purchased before care is given, and the allocation of funds by employers depends on their economic state. A company that is increasingly profitable will spend more on health insurance, for example. A government running a large deficit will have a hard time paying more for MediCal. All of this indicates that it will be several years before the economy will recover enough from its recent recession to allow expansion of reimbursement of medical care. In the short term we will probably see more scaling back instead, as we have recently seen with Medicare payments.

We need a long-term solution. In a recent Wall Street Journal article, Michael Waldholtz offers an unconventional approach that is gaining traction in Washington. He reports:

"The latest idea is for a "universal" plan that would provide a uniform set of benefits affordable to many of those Americans who have been left uncovered because they are recently unemployed, work for small businesses, are retired but too young for Medicare, or whose incomes make them ineligible for Medicaid, the government plan for the poor.

While visions vary, such a plan would at the very least assure access to a catastrophic insurance benefit to protect against a serious illness or hospitalization. It would provide preventive health services for children and would include some type of prescription-drug benefit for the elderly.

One idea gaining steam is that the federal government, or a combination of Uncle Sam and the states, might subsidize the cost of such a plan for some, but that in most cases some portion of the costs would be paid for by recipients, their employers or a dedicated tax plan. A national plan with limited benefits, but available to all, is one that business interests may well get behind. Rising health costs are eroding corporate profits, causing

large companies to reduce health benefits and small companies to eliminate coverage altogether. Part of the booming expense comes from hospitals and others increasing charges to employer-provided insurance plans to make up for money they don't receive when providing care to the uninsured, says Kate Sullivan, director of health-care policy for the U.S. Chamber of Commerce."

President Bush is supporting tax credits to help uninsured workers pay for private health insurance. Senator Breux of Louisiana is garnering support for universal health care legislation, although his approach has not yet been firmed up. Senators Hatch of Utah and Wyden of Oregon have proposed legislation that would create working groups of employers, providers, consumers, and public officials to help create legislation to implement universal care. This will not be a repeat of the disastrous approach taken by the Clinton administration in the early 1990s, but some form of universal care would be the result.

This is the time to open a debate once more on universal health care for all Americans. We need to think "out of the box" and use unconventional wisdom to cut this Gordian knot. The survival of the safety net depends on it.

