

Health Care Issue is Misunderstood  
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Your editorial in the January 16 Ellsworth-American titled “There’s No Free Health Care” deserves a response. Here’s mine:

I agree with the title. That’s where it stops.

To seriously suggest that Congressman Michaud is advocating for free health care for everybody in the world is, on its face, absurd. Since he is a candidate for Governor of Maine, not emperor of the world, I think we can safely assume his advocacy of healthcare as a human right is limited to the people of Maine.

I fully understand that many people in our state rankle at the idea that somebody may get something they don’t deserve at their expense. But I also truly think they misunderstand the nature of the problem.

It turns out to be far less expensive to cover everybody than to spend lots of money, energy and political capital figuring out how not to cover the “undeserving”. Just check out the political food-fight now going on in Augusta about expanding MaineCare at federal expense.

Many people don’t believe you can cover more people for less and probably can’t be persuaded. But it’s still worth trying.

First, it’s a well known fact that people without health insurance often delay seeing a doctor if they think they can’t afford it. This results in many delayed diagnoses that then end up requiring treatments that are far more difficult and expensive. Emergency rooms try to stabilize patients, but cannot prevent illnesses and injuries from happening in the first place, and do not generally provide follow-up care.

Such pent-up demand is most likely what underlies the recent finding that the use of emergency rooms surged among newly insured Medicaid enrollees, who are less likely to have a regular doctor. I expect that it will level off as they begin to receive regular care.

Second, the administrative costs associated with actuarially slicing and dicing people up into ever smaller “risk pools” are very high. Think of the costs of supporting insurance company underwriting (usually their largest departments) and add to it the costs doctors and hospitals incur to accurately bill patients belonging to dozens of different plans with differing benefits packages, deductibles, co-payments and “provider networks”.

It quickly adds up to real money. For example, doctors in Maine spend about three times as much as Canadian doctors on administration. Hospitals spend even more. Credible estimates of the money wasted on unnecessary administration in Maine alone run to almost \$800 million.

Finally, if we were all covered by the same plan it would be much easier to control ongoing costs into the future. Our heavily fragmented ways of financing medical care in the US have made it very difficult to constrain the growth of overall medical costs. It's like trying to control the flow of a river by building a dam in its delta rather than upstream. Out of control healthcare costs are eroding our ability to do lots of other important things in both public and private sectors.

Many of these efforts and their associated costs are intended to make sure that only the "deserving" (wealthy, employed, elderly, pregnant, children, etc.) get medical care in a dignified way. The costs of doing that are very high. Think of them as a tax on your own healthcare costs.

Adding it all up, the price of unnecessary administration, avoidable illness and lack of more effective control of costs easily amount to 20% of our total healthcare spending. In Maine alone, that amounts to \$1500 for every person in the state. Is it really worth \$1500 to you and every member of your family to make sure some "undeserving" person doesn't get "free" medical care?

Now that's something worth editorializing about!