

Office Visit: Who killed health care?

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Health care in the United States is a \$2.4 trillion market, the largest in the world. It continues to grow at a rate of 7 to 10 percent annually. Since 1970, health care has grown from approximately 9 percent of the gross domestic product to 20 percent of the GDP, according to a publication of the American Academy of Orthopedic Surgeons.

Medicare is and will continue to be a major economic driver in this growth. The fixed budget provisions under Medicare will result in lower reimbursements to physicians as the number of people in the program increases. Private insurance companies that use Medicare payments as benchmarks will lower their reimbursements. That will result in physicians having to work harder by increasing services offered and procedures performed.

With a new presidential administration in full swing, health care providers must be aware of current issues and options available in order to advocate for themselves and their patients.

Health care is becoming more consumer-driven as more health plans are requiring patients to be responsible for more out-of-pocket co-pays and deductibles. That could result in a decrease in elective surgical procedures and may lead to slow collections or unpaid bills. Practitioners must ensure that office administration and collections are functioning effectively and efficiently.

The number of uninsured or underinsured Americans is increasing while health reimbursement negotiations continue to grow. That also leads to a decrease in use of health care services.

Health care revenue trends favor pharmaceutical and medical device companies, health insurers and hospitals. Although the health care market continues to grow, physicians are getting less and less.

Our country and state face many difficulties where health care is concerned as we move forward into the future. It's not doctors and patients that are causing the demise in the industry – it's the hospitals, politicians and insurance companies.

Finally, the Government Accounting Office is telling both houses of Congress that unfunded liabilities are in excess of \$50 trillion to \$60 trillion. The major portion of that deficit is in Medicare and Social Security payments.

Clearly, neither political party has openly addressed the elephant in the room. They must do so quickly.

The future burden must be lifted from the system while still providing for those who cannot afford it, especially seniors. One possibility is a two-tiered system – one for those in need of government assistance, and one for those who can afford to opt-out of the Medicare system and pay for care with other private insurance.

We must first recognize the issue facing the nation and then have the political will and courage to solve what has been building for many years.

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