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Only pay for health care that works

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Health care is expensive partly because governmental payers and insurers foot the bill for large quantities of medical services that are ineffective, unnecessary or unproven. According to a RAND report, studies of clinical efficiency "indicate that one-third or more of all procedures performed in the United States are of questionable benefit."

When state and federal governments set the minimum terms for insurance coverage, this problem is likely to worsen. Governmental decisions reflect the political power of providers (who want to sell more services), the sympathy felt for patients (who want to consume more services and have other people pay for them), and the desires of bureaucrats (who generally want to maximize their budgets and their importance). These interests coalesce, causing governments to aggressively mandate coverage of services that may or may not be necessary.

The health reform proposals pending in Congress require all Americans to have insurance coverage. The problem with this "individual mandate" is that Congress (or some other regulator) will have to decide the minimum amount of insurance Americans can carry.

The need to set this requirement is an open invitation to aggressive lobbying by health care providers. Wanting to ensure that the minimum benefit package covers their services, providers will spend millions on advertisements and campaign contributions to persuade legislators and regulators that more coverage is better.

Lobbying from providers and supportive patients explains why many states already mandate coverage of elective services like in-vitro fertilization, massage therapy, and visits to athletic trainers. Concerns about the efficacy and cost-effectiveness of treatments are washed away by a stream of campaign contributions, and sad stories about patients who can only obtain the "necessary" services if the insurer will pay for them. The result is a one-way ratchet toward richer (and more expensive) benefit packages.

A similar political dynamic explains why Medicare, Medicaid, Tricare (the health insurance system for people connected to the military), the federal employees' health benefit system and private insurers have spent tens of millions of dollars on non-medical services, such as prayers, for Christian Scientist patients "who choose to rely solely upon a religious method of healing."

There is no persuasive evidence that prayer treatments work. A recent large study found that prayers had no effect on the rate of complications among heart surgery patients. In fact, patients who knew others were praying for them had slightly more post-operative complications than patients who did not.

Even though prayers are obviously not medical treatments, Christian Science practitioners charge for their services at rates comparable with those of real health care providers. In Minnesota, a Christian Science practitioner reportedly charged the parents of Ian Lundman, an 11-year-old with diabetes, \$446 for two days of prayer-treatments. (Ian died.) In Michigan, a Christian Science practitioner demanded \$1,775 after praying for someone in a coma. State Farm initially refused to pay but capitulated after they were sued.

One of the major health care bills pending in Congress would continue and almost certainly expand this indefensible stream of payments. It uses the language of discrimination to hide what's going on. The problem isn't discrimination against members of a particular religion. It is that public officials should not spend our tax and insurance dollars on services of no proven medical value.

Christian Scientist practitioners account for an infinitesimal fraction of the cost of health care. Indeed, it is almost always cheaper to pay for prayer-based treatment than to pay for medical treatment for patients with the same illness. But our willingness to waste tax and insurance dollars on prayer treatments is symptomatic of a larger failing. Wasteful spending abounds in health care because providers have defeated all efforts to control costs -- and routinely lobby for laws requiring that they be paid for the services they render, regardless of whether their efforts actually improve patients' health. A business that charged through the nose for repairing cars or computers would quickly find itself out of business if "one third or more [of its work] was of questionable benefit." Why shouldn't we subject health care to the same discipline?

Congress seems bent on imposing an individual mandate. If so, it should impose a strict efficacy requirement as well. Congress' rule should be: No governmental payments or insurance mandates for any goods or services not proven to work. Christian Scientists and others who want ineffective, unnecessary, or unproven services will still be able to get them. They will just have to pay for them.

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