

## The Real Culprit

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In discussions of what afflicts health care today, perhaps the most commonly named culprit is greed. Opponents of managed care will say that greedy insurance companies are making their profits by denying health care to patients. Insurers, payers, and politicians reply that greedy doctors and hospitals have raised prices so high and committed such fraud and abuse that arbitrary benefit limitations and draconian laws are necessary to conserve the common weal for everyone's benefit.

While people in health care may be as subject to greed as anyone else, they are not more so, and greed is probably not a major motive for most. I suggest that there is another human flaw at work in the system that allows greed and other motivations, good and ill, to get out of balance. I would call that flaw utopian denial. It is the belief that by participating in a social system that promises to provide health care equally for all at low cost while remaining ignorant of the true costs involved, people can now and forever avoid the anxiety and hard choices that illness may impose.

The third party payment system that has progressively come to dominate payment for health care over the past three decades serves to maintain the illusion that patients need not be concerned nor plan for the cost of treating their illnesses. Their employer or government provided insurance allows them to accept easy, reassuring answers to their questions of what will this cost? "Oh, don't worry, it will be covered by your insurance" has been the answer most of us have given so often to allay a patient's worries and to allow them to focus on what will help them get well. Of course everyone knows that the tests, procedures, medicines, and other services all cost a good deal, but the costs are pretty much born by all of us collectively.

The historian Paul Johnson has observed that collectivism vs. individualism has been the overarching political struggle of the 20th century, and that is certainly turning out to be the case in medicine. Probably more than any other factor, the tilt toward collectivism has been the major factor responsible for the rising costs of health care in the past three decades. It helps to understand that these rising costs are simply a form of inflation. What is inflation but the devaluing of money relative to other things? What money are we most likely to devalue? Not mine, not yours, but theirs, everyone else's money - the government's, the insurance company's, the employer's. Because many peoples' health expenditures are often kept to partial insurance premiums, low deductibles, and low fixed copayments, individuals have been effectively removed from the role they play in all other financial transactions. They are no longer the judges of value and quality, the questioners of the need for the expenditure, the watchdogs of abuse. Instead bureaucracies must be paid to perform those functions, and more and more complex systems are created to contain the costs. But because artificial price controls have never been effective in controlling inflation, the costs continue to rise. In the bargain people are increasingly finding that they are paying other costs as well in terms of their freedom of choice over intimate matters and the privacy of their medical records.

Will the momentum toward collectivism continue or is it peaking? Probably it is too early to know, but in many areas of our society issues of personal choice and responsibility are gathering increasing attention. The increasing availability to the public of sophisticated medical information through multiple media is one factor that likely will enhance the movement toward people seeking to restore individual responsibility. In the coming months we will explore this issue in a number of its facets.

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