



## Cold Iron Truth

## Time for single payer? ColdironCare

BY BRETT M. COLDIRON, MD

**A**t a New Year's Eve party a few years back, I noticed a man sitting nearby clutching his left upper arm. He was ashen and obviously uncomfortable. Acute coronary insufficiency, I thought, and I asked him if I could call the life squad for him. "Oh no," he said, "I have these spells several times a day, the nitro will kick in a minute, and this will ease off." I listened as he explained he had a "widow maker," a 90% plus left main occlusion, but "I am Canadian, and my government is going to pay for my bypass," he said. "I just have to wait 6 more weeks." The irony? He was the son of our host, and we were sitting in his mothers' multimillion dollar home in the Florida Keys. He could be in a Miami hospital's operating room in an hour or 2.

Wow. Click, got it. Fast forward to a lobbying discussion on Capitol Hill: A sympathetic U.S. senator tossed me this softball, "What do you think about Medicare reimbursement?" I expect he thought I was going to complain about how bad Medicare is, about its failure to keep current with inflation (currently about 30% behind), and the obtuse quality metrics it now requires. Instead, I found myself saying, "Medicare is my most reliable payer, paying on time – in 2 weeks for clean claims – and the private insurers have beaten me up badly. Medicare is one of my best payers."

Wrong answer, but true statement.

There is much talk these days about Medicare for all, single-payer, and uni-

versal health care. American physicians and patients are disgusted with the current system, particularly considering all the barriers to care. (See my recent column, "Produce and Promises.") Physicians and patients endure a mutual misery inflicted by private insurance companies.

What to do about health care in America?

First, let's deal with the extraordinary costs of health care in the United States

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– 19% of our gross domestic product. About 3%-4 % of this figure is an accounting gimmick, since it includes nursing home care, which is considered "domiciliary" care rather than health care in Europe. In addition, drug costs are higher in the United States, largely to cover the development of new drugs that cost less in the rest of the world. Wait lists are largely unheard of in the United States, and if you have such ready capacity, that means you incur the costs of idle capacity. Also, rarely is a new miracle drug flatly denied for coverage in the United States. If you persist, you will usually get your drug.

We are a commodity-driven society, and that is the real reason that health

care costs so much in this country. Hence, we come to the real debate, the "R" word. How do we ration access to care? (See my 2017 column, "Why the Affordable Care Act will be Greatly Modified.")

There are a plethora of proposals to fund single payer out there, none of which address rationing. And while single payer affords free universal coverage, it does not ensure better care. As health economist Devon Herrick, PhD, wrote in his health care blog in 2016: "A single payer is not some magical entity that rains down savings from Heaven by being unconcerned about profit. Rather, an efficient single payer operates more like a predatory HMO with no competition. It is currently in vogue for hipsters to matter-of-factly announce the simple solution to health reform is single payer. Be careful what you wish for; you may end up with Medicaid for All."

In fact, if you try to ferret out how physician income will be affected by universal health care, there would be an estimated pay cut of 11%-40%, depending on how the numbers are manipulated.

Some single-payer proposals use the term "exchange rates," which for the uninformed means Medicaid rates. In addition, payment is usually given to the local hospital system, or "authority" to dole out. I have a very bad feeling that any small practitioner in an office-based practice would be severely shortchanged in such a system. In fact, if you cut pay for office-based physicians at all, you may begin to see them disappear.

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