

## Health Policy in Medicine: Inside the Beltway

### Late to the Feast?

by Eugene Rich, MD, FACP

July 1, 2009

*"A certain man made a great supper, and bade many...."* Luke KJV 14:16-18

My fascination with public policy may have the same origin as my knowledge of the parables of the New Testament. John Stennis (D-MS) was a powerful member of the Senate. He wanted to bring Mississippi more Federal money so the Armed Services Committee encouraged Air Force electronics programs to relocate to Kessler Air Force Base on the Gulf Coast. As a result, in 1958 the Rich family migrated from Middle America to the Deep South, a foreign land of bayous, Spanish moss, Civil War stories, and "Bible Drills."

Since 1950's Senate deal-making changed my life, it's hardly surprising that I've been intrigued by the influence of policy and politics on Americans' daily lives. After medical school my interests led to studies of clinical evidence, physician decision-making, medical practice variations, the influence of incentives and administrators, then ultimately how government policy affects all these factors in health care. In 2006 when I began thinking about the possibility of my first sabbatical, it seemed a natural for me to apply for a Robert Wood Johnson Health Policy Fellowship (<http://www.healthpolicyfellows.org/home.php>).

I had an amazing year in 2007 working on health policy for the House Committee on Ways and Means. I certainly had a chance to see up close how politics and policy interact on the health care issues that concerned me most. And, to wonder if I was "Late to the Feast."

"Rising health care costs... constitute the nation's central fiscal challenge." So said Dr Peter Orszag who was then working as Congress's chief economist and head of the Congressional Budget Office (CBO). Pundits had been wringing their hands about rising health care costs since I was a medical student, but now the problem was becoming real for millions of Americans. I had seen it every day in our teaching clinics at Creighton, where the numbers of uninsured were climbing and where even insured patients struggled to afford basic services and pay their bills. Capitol Hill was starting to see it too.

But at a time of large Federal deficits, and already burdensome government spending on health, money for fixing America's health care is incredibly scarce.

Don't like the arcane "Sustainable Growth Rate" law and its schedule of draconian cuts in Medicare physician fees? Ok—find 600 Billion dollars!

Really want to fund health insurance for low income kids? \$100 Billion please. Overall health care reform? Well—\$1 to 1.5 TRILLION!

For you health professionals reading this- think you are underpaid? GET IN LINE! When I was on the Hill in 2007, it seemed like I met with every provider group for Medicare patients. They all had the same story: they were overworked, underfunded, their future ability to care for Medicare beneficiaries was in jeopardy. If they were just paid a little more for their wonderful skills—for example through a new fee dedicated to their special services, or for an enhanced payment to their current fee—Medicare beneficiaries would live longer, happier and healthier lives!

Health care lobbying is now the biggest business in DC. Capitol Hill is swarming with bright, personable, articulate advocates, selling these stories with vivid anecdotes and glossy handouts.

But as the Congressional Budget Office reports, if the trend of the past 40 years continues, Federal health care spending could grow to consume the entire Federal budget. This growth is the CURRENT trend- not the effect of any hypothetical health care reform. And it is not primarily caused by aging baby-boomers, malpractice costs, or profits to manufacturers. It is from the seemingly inexorable annual increase in the number and the cost of medical services delivered to patients. At the rate we are going, by around 2080 health care could

comprise the entire US economy! Don't think our grandchildren will enjoy living in hospitals, wearing paper gowns, and traveling by ambulance? Well then we'd better get serious about controlling health care costs now!

A bleak picture, made even bleaker by the fact that rising costs are already hitting the pocket books of many typical Americans, though higher insurance premiums, higher co-pays and deductible amounts, and even outright loss of employer-based insurance. But with health care now almost 20% of the national economy, many jobs and incomes are riding on continued spending growth!

Don't give up hope! Peter Orszag is now working as the Administration's chief budget cop- and he understands the need to fix both health care costs and access problems. He and his team have studied all the options there are to deal with these issues. And there are bright, committed Congressional staff on Capitol Hill working round the clock on how to address our health care crisis, aided by teams of analysts at CBO, the Congressional Research Service, the Medicare Payment Advisory Commission, and academic policy researchers. Already lots of promising ideas have been proposed, and the next few months will see lots of debate about the path forward. In subsequent columns I'll write on the status of potential solutions. Stay tuned!

*"And the lord said unto the servant, Go out into the highways and hedges, and compel them to come in, that my house may be filled."* Luke KJV 14:23-24

Note: This column grew out of, and is an extension of, an earlier piece that appeared in SGIM Forum, Volume 31, Number 1, January 2008, pages 3 & 12.



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#### **Comments from readers:**

7/2/2009 - Very personal and very interesting. Even for me his sister.  
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