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# THROWING MORE DOLLARS AT A BROKEN HEALTH CARE SYSTEM

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## **Throwing More Dollars at a Broken Health Care System**

Congress is hard at work this summer drafting legislation to reform the U.S. health care system. However, policymakers are fixated on an effort to expand health insurance coverage and are doing nothing to contain rapidly rising health care costs or reduce wasteful spending on ineffective treatments. As a result, any effort to implement universal health care will become unsustainable within a matter of years. The leading proposals will expand health insurance coverage by reducing eligibility requirements for Medicaid, subsidizing the purchase of health insurance policies for those with limited incomes, and perhaps even introducing a public health insurance plan to compete with private insurers. The Congressional Budget Office estimates the cost of these reforms to exceed \$1 trillion over the next 10 years.

Expanding health insurance coverage is a worthy cause. Previous research documents poor health status, loss of life and lower productivity resulting from the lack of health insurance. Yet Congress' proposals do not address the rapid rise in health care costs, which is the root cause of individuals' inability to purchase health insurance. Health care costs have risen at almost double the rate of workers' earnings over the past decade. These costs are passed on to consumers in terms of higher insurance premiums. The premiums have become unaffordable to many lower- and middle-income class families, leading them to drop coverage.

Americans have been watching the proposed reforms closely and have become more skeptical of the policymakers' actions. A Zogby International/University of Texas Health Science Center poll indicates that by a 50-42 margin, Americans oppose the House of Representatives' bill introduced July 14. Americans have a right to be wary of the proposals on the table in Washington, D.C. A growing body of medical research indicates that our health care providers are wasting tremendous resources on treatments that provide little or no value to patients. Yet proposals to limit this waste are missing from current legislation.

For example, study published in the Journal of the American Medical Association indicates that the United States spent an added \$85.9 billion on treatments for lower back pain between 1997 and 2005. Yet there was no evidence that this medical treatment improved the well-being of lower back pain patients. In fact, lower back pain patients' mental health, physical functioning and work/school limitations actually worsened over this same time period. Another example:

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The American College of Cardiology and the American Heart Association recommend that patients with stable coronary artery disease undergo an exercise stress test to confirm a restriction in blood supply before undergoing angioplasty for the heart. Yet an analysis of Medicare claims data reveals that fewer than half of Medicare patients who undergo angioplasty receive this stress test. Medicare reimburses providers for hundreds of thousands of angioplasties per year at a cost of \$10,000 to \$15,000 per patient. Again, taxpayers are spending billions of dollars on expensive procedures that are of questionable benefit to patients.

In order to stem the rising costs of health care, policymakers must take the politically unpopular action of telling the public that patients can no longer have access to each and every medical treatment prescribed by their doctor. This move would be highly unpopular with the public, given that polls indicate that 90 percent of patients want access to every treatment prescribed by their physician. Moreover, individual health care providers would object to any attempt to interfere with their practices, particularly if their income is being threatened.

Yet the evidence I have cited, in addition to additional research performed by physicians, indicates that as much as 30 percent of health care dollars spent in the United States go toward treatments that provide little or no health benefit to the patient. The current debate on expanding health insurance is throwing more dollars at a health care system that is fundamentally broken.

We may think that policymakers are aiming to provide increased access to a health care system that provides the equivalent of the quality that a Toyota Camry or even a Mercedes Benz represent to car drivers. But current proposals will produce that Camry or Mercedes with authentic gold trim, three stereo systems and sub-zero air conditioning. It is incorrect to believe that one can solve the U.S. health care crisis merely by spending more dollars. Instead, policymakers must pay careful attention to objective medical research in order to create a health care system that provides affordable proven high-quality treatments to all patients in the long run.