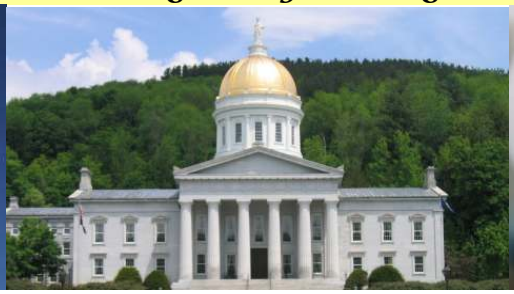
Health care reform in Vermont
Why we are wrong to be following the Canadian model




The five member Green Mountain Care Board started work on reforming our health care system although we still have many unanswered questions such as what will it cover, how much will it cost, who will pay for it, how will providers get paid, can we use out-of-state providers, and what is the backup plan if the system proves to be unfeasible or unsustainable?


Green Mountain Care is being modeled after the Canadian health care system. It will be a single payer system that will control costs with global, and (or) capitated budgets http://www.leg.state.vt.us/docs/2012/Acts/ACT048.pdf . I strongly agree that we need to reform our health care system to better contain escalating costs and to better assure universal access to care. However, I am convinced that the Canadian health care system is one of the worst to model our system after, as the single payer system with global budgets has resulted in prolonged waiting times and other problems as reviewed below**. A 2010 study found Canada dead last in timeliness and quality of health care compared to six other developed countries.** http://www.commonwealthfund.org/Publications/Fund-Reports/2010/Jun/Mirror-Mirror-Update.aspx

Wait times to receive treatment from a Canadian specialist hit an all time record in 2011. The Frazer Institute published data that showed the median time it took for a patient to get non-emergent treatment from a specialist is nearly 5 months. This is double the waiting time in 1993, when the Frazer Institute first began tracking waiting times. http://www.fraserinstitute.org/research-news/news/display.aspx?id=2147484002

Patients are now waiting two to three years for a colonoscopy at Montreal area hospitals, with the Royal Victoria Hospital no longer scheduling patients due to the backlog. “And it’s not just low-risk patients who are affected. Those with a first-degree relative with colorectal cancer – which places them in the high-risk category – have told The Gazette that they have been waiting longer than a year for a colonoscopy. In one case, a 50-year-old patient, whose father underwent colorectal-cancer surgery and whose grandfather died from the same disease, has been booked for a colonoscopy in 2014. Ideally, such high-risk patients should get their colonoscopy within three to six months from the time the request was made. Colorectal cancer is the second-leading cause of cancer death in Canada.”

http://www.montrealgazette.com/news/Royal+Victoria+Hospital+turning+away+patients+colonoscopies/6237231/story.html#ixzz1oFboy790
It is even worse at the Montreal Jewish General hospital where the waiting list for colonoscopies is 5 years for higher risk patients and 7 years for routine colonoscopies.
http://www.globalmontreal.com/video/colonoscopy+wait+times+in+quebec/video.html?v=2205010992#stories

Orthopedic surgeons are taking more time off as quotas limit the number of joint replacement surgeries they can perform, despite long waiting lists for joint replacements.
http://www.theglobeandmail.com/life/health/new-health/health-policy/longer-wait-for-joint-replacements-as-surgeons-told-to-take-a-break/article1901288/

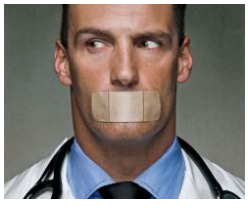
There many reasons to be concerned about prolonged waiting times for Vermont patients under the single payer system as I reviewed in this article http://vtdigger.org/2011/11/16/mccauliffe-waiting-for-health-care

Growing numbers of Canadians are growing frustrated searching for a primary care physician. One Canadian writes that she called all 84 doctors who were listed as practicing within 6 miles from her home, "Some of their receptionists were polite. Some were surly. All rejected me." http://www.theglobeandmail.com/life/health/new-health/health-policy/the-soul-destroying-search-for-a-family-doctor/article2135332/

"Patients, waiting up to six weeks for appointments with family doctors, end up in emergency. So, too, do chronic care patients, those with mental health issues, and far too many with minor complaints. Emergency wards are clogged with everything but emergencies. As a result, cash-strapped hospitals closed ERs across the province for the equivalent of 795 days last year." http://www2.macleans.ca/2011/01/25/our-health-care-delusion

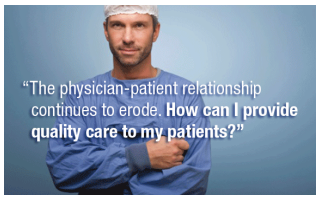
A dark side of rationing – bribing health care workers for better access
There have been incidents of bribing Canadian physicians to get more timely access to health care services http://www.cbc.ca/news/health/story/2012/02/21/montreal-doctors-bribes-allegation.html This bribing of health care providers for quicker access to services is found in other countries with access problems due to global budgets and government control of the health care system as in Greece http://www.forbes.com/sites/aroy/2011/11/12/greeks-seeking-access-to-health-care-stuff-envelopes-full-of-cash/
In Canada, if you don't want to wait in line for health care services, you can go to the US for health care. For example, when the Conservative premier of Newfoundland, Danny Williams, needed heart surgery, he didn't need to bribe a Canadian surgeon to get more timely care. He simply flew to the US for his surgery.

Bullying of doctors by Canadian health care administrators



Canadian physicians get frustrated when having to deal with the rationing of health care. However, health care providers that speak up to protect their patients have been bullied by Canadian health care bureaucrats. The Alberta Health Quality Council panel has found widespread instances of physicians experiencing intimidation and muzzling when advocating for their patients, with evidence of a culture of fear and alienation across the province. http://www.cbc.ca/news/canada/edmonton/story/2012/02/22/edmonton-health-quality-council-report.html Among the methods of intimidation reported to Dr. John Cowell, the council's chief executive, were: The withdrawal of hospital privileges, feelings of being ostracized by peers, and having contracts terminated or changed. "Some [doctors] have elected to leave the province to seek work elsewhere." http://www.cbc.ca/news/canada/edmonton/story/2011/11/15/edmonton-bullying-doctors.html and http://www.cbc.ca/news/canada/calgary/story/2011/10/27/calgary-health-council-report.html

In Ontario bureaucrats working for the Ministry of Health will now decide if certain tests are "medically necessary." If the bureaucrats decide the answer is no, the doctor will end up paying for the test. "The whole thing is utter madness," says Dr. Douglas Mark, president of the Coalition of Family Physicians and Specialists of Ontario. http://www.ottawasun.com/2012/06/10/corbett-medical-cuts-out-of-the-hands-of-doctors



Weakening of the patient-doctor relationship

Vermont's Act 48 that empowers the Green Mountain Care Board, to decide what health care services will and won't be covered, and how and what physicians will be compensated. This bureaucratic power may similarly result in pressure on physicians to practice in the best interest of the system, instead of the best interests of their patients. There are examples of how patients' needs are placed second to the government's needs, when physicians become controlled by government health care administrators. For example, in 2008, there was a scandal in Great Britain when the public became aware that the government-run healthcare system paid bonuses to family physicians who limited the number of patients they referred to specialists and for hospital care. There were examples where patients' cancers went undiagnosed after they were denied specialist care under this bonus scheme. http://www.telegraph.co.uk/health/3223309/Doctors-paid-thousands-not-to-send-patients-to-hospital-for-treatment.html
Here is an article that discusses How Green Mountain Care will undermine the doctor/patient relationship**,** from a recent radio interview that I participated in: http://truenorthreports.com/how-green-mountain-care-will-undermine-the-doctorpatient-relationship

Greater Malpractice Risk Under Global Budgets

Another problem facing Vermont is the likelihood of the absence of meaningful medical tort reform. The Hsiao report, that serves as the foundation of Vermont's health care reform effort, recommended a no-fault medical malpractice system, as used in New Zealand, as a way to minimize the cost of defensive medicine, while insuring patients are adequately compensated for harm.

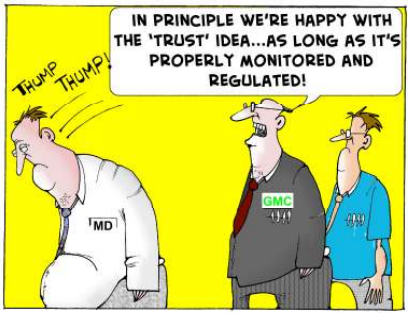
http://www.leg.state.vt.us/jfo/healthcare/FINAL%20VT%20Draft%20Hsiao%20Report.pdf
The Medical Malpractice Reforms Report and Proposal of Vermont's Secretary of Administration released earlier this year advised against this recommendation.
http://hcr.vermont.gov/sites/hcr/files/Medical%20Malpractice%20Reforms%201312012.pdf
You have to realize that Green Mountain Care Board's plan to control health care costs with global budgets will increase the likelihood that Vermont physicians will be sued. Why? Because patients will be upset when services are delayed or denied due to HMO-style rationing that will result from global budgets. Look at the waiting times and limitations on services in countries that use global budgets to control health care costs, as in the Canadian examples mentioned above. The global budgets in the United Kingdom have led to similar rationing problems.
http://www.washingtontimes.com/news/2011/dec/11/health-squeeze-uks-free-health-care-under-threat/?page=all

Fortunately physicians in these other countries have better protection from medical malpractice litigation. (http://www.loc.gov/law/help/medical-malpractice-liability/canada.php, http://www.loc.gov/law/help/medical-malpractice-liability/uk.php). For example, in cases of clinical negligence in the United Kingdom the National Health Service is sued, not the physician. Canada also better protects its physicians from malpractice litigation, compared to physicians in the United States.

Worsening Physician Satisfaction May Exacerbate Workforce Shortages

How and what physicians will earn in Vermont is yet to be determined by the Green Mountain Care Board. Pay for performance measures will be a significant part of Green Mountain Care Board's means of controlling physicians' activity and determining their payments, even though a number of studies have found such measures to be ineffective in controlling costs and outcomes (http://www.cbo.gov/publication/42860, and http://healthblog.ncpa.org/study-hospital-p4p-doesnt-work). The growing bureaucratic interference in health care, the loss of physicians' autonomy and the increased risk of malpractice litigation will likely create an environment that will not only discourage new physicians from coming to Vermont, but may convince Vermont physicians to look for employment in other states. The Vermont legislature and Green Mountain Care Board need to realize that Vermont is not a country, and if the practice of medicine in Vermont becomes less rewarding for physicians, they will seek out employment elsewhere. It is much easier for Vermont physicians to switch states, than it is for Canadian physicians to switch countries.

Why are doctors beating their heads against the wall?



Is It Too Late To Consider Other Options For Health Reform?

At this juncture we should be asking ourselves, Why are we modeling Green Mountain Care after the Canadian health care system? Even Canadians realize that their single payer system is not working well. One recent Canadian newspaper commentary had this to say: "One of the most important lessons we have to take from Europeans is that we need a combination of a well-regulated private system and a well-managed public system. Every health system worth its salt has a mix of private and public delivery and payment."
http://www.theglobeandmail.com/life/health/new-health/andre-picard/dragging-medicare-into-the-21st-century/article2441600/singlepage/#articlecontent
Canadians are also realizing that global budgets are creating problems and need to be changed. Provinces are now looking at replacing the global budgets with "activity based funding", a payment system that promotes productivity rather than rationing.
http://www.montrealgazette.com/health/improve+health+services+change+hospitals+funded/6753365/story.html How ironic (and depressing) that the Green Mountain Care Board is advocating hospital budget caps and global budgets to contain costs. Global budgets and capitated payments are called for in Act 48, but shouldn't the Canadian experience cause us to take pause, and consider a change in course?

Why not consider alternative systems that guarantee universal access but don't ration care with long waiting times and better preserve the trust in the patient-doctor relationship? There are better alternatives, such as the system in Switzerland?
http://www.forbes.com/sites/aroy/2011/04/29/why-switzerland-has-the-worlds-best-health-care-system/ and http://www.forbes.com/sites/aroy/2012/03/09/the-myth-of-free-market-american-health-care/. and http://www.theatlantic.com/business/archive/2012/03/the-myth-of-the-free-market-american-health-care-system/254210 and
http://www.forbes.com/sites/aroy/2012/04/03/is-health-care-in-america-as-market-oriented-as-frances

There is also great promise in consumer driven health care plans where patients take more responsibility in their health care management. http://articles.boston.com/2012-06-06/opinion/32059294_1_patient-centered-hsas-health-care
http://healthblog.ncpa.org/saving-for-health-care . According to a Rand study these plans have the potential to reduce health care spending by 30% without causing any harm, even to vulnerable populations. http://healthblog.ncpa.org/new-rand-study-of-consumer-directed-health-plans The Singapore health care system shows the potential savings of consumer-driven health care. http://econlog.econlib.org/archives/2008/01/singapores_heal.html

To stay up-to-date on health care reform, I highly recommend viewing the numerous articles posted daily at: http://www.facebook.com/VermontersforHealthcareFreedom

There is no doubt that we need to change our health care system to better control costs while guaranteeing universal access. However, we have to be very careful that in our quest to make it better, we don't make it worse for all. Please share this article with others to help get this message out. We need to educate our fellow Vermonters. Thanks.

Dan McCauliffe