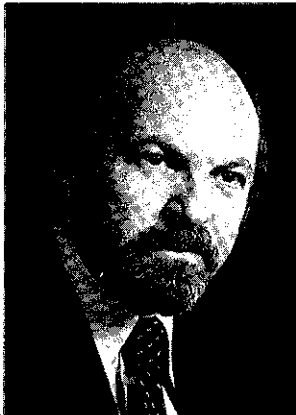


editorial



The Dangers of Riding a Tiger

by Reuven Bar-Levav, MD

The facts are simple, and they are clear. Health care costs are too high, and they rise too fast. In 1982 the Cost of Living Index rose less than 5%, the cost of medical care over 13%. Medical care consumes an ever-increasing percent of our GNP.

But, 55% of the health dollars, some claim the percentage is higher, do *not* go to physicians, they go to hospitals. These institutions have been operating for a long time on a cost-plus basis, which subsidizes and promotes inefficiency and waste, since the higher the costs the greater the override (the -plus part) that accrues to the hospital.

True, costs rise not only because of inefficiency and waste, but also because politicians have promised, and the population now expects as a birthright limitless medical care without any co-pay. Patients at the extremes of life, the very young and the very old, put a tremendous burden on the health dollar. The hospital bill alone for a recent liver transplant cost upwards of \$260,000, and little Brandon Hall, who did not make it after all, had two of these. When a suffering child is shown on television our emotions are engaged, reason takes a back seat, and we expect and demand that every heroic measure be taken, whether it makes sense or not. As life expectancy is prolonged, expenditures for the oldest segment of the population also increase dramatically. Some of these increases are justified and necessary,

but even we may not be able to afford them all.

Government money has only one source: you, me and every other taxpayer. The "Government," in the last analysis, is us. It is a demagogic distortion to claim, as someone did in the recent meeting of the MSMS House of Delegates, that DRG stands for "dirty, rotten government." All third-party payers, including government, eventually must, will and should limit these outlays. Even in America, money does not grow on trees.

All past attempts to limit the skyrocketing costs of medical care have essentially failed so far. Carter wanted to limit yearly hospital cost increases to 9%, and he failed. There have been several other attempts. Now, there is TEFRA.

TEFRA is an imperfect attempt to gain some control on Federal expenditures for health care. As physicians and as citizens we should support its essential approach that forces competition and penalizes inefficiency. It is in our best interest to support a system that helps reduce the danger of outside control over the entire practice of Medicine. Although some physicians' incomes may be excessive, it is not us who bankrupt the system, hospitals do. If we side indiscriminately with hospitals we are likely to fall together. Strict control by government and by other third-party payers are inevitable unless reasonable limits are instituted. No one

should have the right to tell a physician how to practice or what care to give a patient, but those who pay have the right to limit their payments. Our independent professional judgment will be the first victim unless we wake up in time.

Hospitals have special interests that are different from ours. Like all institutions, they have a need to always grow and expand. Prestige and power are involved. Physicians who have tied too much of their personal fortunes with those of hospitals have thus lost the freedom to reach separate positions on these issues. But, even so-called "provider-based" physicians, the pathologists, radiologists and anesthesiologists, will, in the long run, best maintain their dignity and more of their incomes if they recognize in time that their real interests lie with the principle of private practice, not with hospitals.

The philosophy of TEFRA, if not every detail of it, should be supported. The cost-plus hospital is like a tiger who regularly devours increasing portions of our GNP. It is, therefore, a public danger and an enemy of the people. Sooner or later, in spite of all the demagoguery, the tiger will have to be shot down. If we physicians ride it, we shall be shot down with it.

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