GUEST EDITORIAL

Is the Enemy Us?

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I have been uncomfortable for many years by issues related to insurance. Gradually, these concerns have become clearer. Now, many of these issues seem to be at the center of the managed care debate. Doctors of all kinds are moaning (or screaming) about the insurance industry's influence on their practices. How did things get to this point?

I would like to suggest that we doctors have played a contributory role in this process. There was a time when the patients asked for our help and we provided services in a personal and professional manner. We then presented an appropriate bill directly to the patient. Included in this simple and direct contract was an understanding that both the doctor and the patient appreciated the value of the transaction.

Insurance changed that relationship. Doctors no longer had to justify their fees to their patients. Many times patients weren't even sure what the fee was. Doctors only had to satisfy insurance companies. The "insurance middleman" made it easy for doctors to charge higher and higher fees. Insurance companies didn't balk at higher fees; they simply passed them on as increased premiums. Patients didn't care what the doctor charged as long as the visit was covered. The simple contract of a mutually agreed exchange of value was gutted.

Gradually other aspects of the patient-doctor relationship began to erode. If insurance companies were going to pay the bill, they were going to call the tune. Confidentiality fell by the wayside. Patient lives became marketing tools and bargaining chips. Insurance began to dictate how we report services, what we charge, and what services we could provide and to whom. Insurance gained this power as patients AND DOCTORS abdicated the responsibilities implicit in the simple contract based on an exchange of value.

I remember learning many years ago that the basic concept of insurance is shared risk. Not all houses have fires, but you cannot be sure which house will burn. Insurance spreads the potential economic loss of a fire among all the homeowners who choose to share the risk. However, you cannot insure a service that everyone is going to use. Instead, insurance companies now are simply collecting pre-payments, but those pre-payments must also cover the overhead and profits of the insurance company. Initially insurance collected the extra money by raising premiums. When the complaints about higher premiums became too loud, the companies started reducing payments. And all the time they gained more and more power.

Now doctors are complaining because the same system that allowed us to avoid the responsibilities of the simple exchange of value contract has turned on us. Arbitrary removal or exclusion from provider panels have closed the practices of increasing numbers of caring and competent doctors. Arbitrary certification requirements have increased costs and forced retirement of doctors who were perfectly competent to provide the services they offered. The value of a practice no longer depends on the goodwill and patient loyalty created by caring and professional service, but rather by managed care contracts and volume. Some insurance companies directly advise raising fees to uninsured patients to finance the discounts these third party providers demand. Even the doctor's choice of drugs, lenses, frames and procedures are mandated by insurance entities. The loss of confidentiality provides insurance companies the means to deny treatment and coverage.

Insurers argue that these restrictions are necessary to control costs and protect against fraud. Cost is a real concern and any relationship, including the patient-doctor relationship, can be abused. Yet, it seems that costs have skyrocketed anyway (and insurance profits increased) and the unscrupulous now have an arena to defraud on an unprecedented scale.

The insurance industry is the target of our current anger and complaints, but how many of us enjoyed not having to tell the patient what those covered options were going to cost. "Don't worry about it. Insurance will cover it." How many of us coveted those easy bulk payments and waived co-payments to keep patients? How many of us eagerly signed contracts that briefly absolved insurers of all responsibilities while imposing a lengthy list of discounts, fee limits, restricted services, gag rules and miscellaneous obligations?

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Let us face it. We did not fight the erosion of that basic patient-doctor relationship. We were willing to place the commercial aspects of practice ahead of the professional issues and responsibilities. It was easier to find the bottom line on our balance sheet than it was to define the principles of professionalism. I am not suggesting that we were malicious in this. I do not think we realized what the battle was and where it was taking place.

Now the call is for union-type organizing, collective bargaining, and credentialing. These and other Band-Aids only reaffirm and reinforce, in their own way, the power structure that insurance entities (including government) have created. I can't imagine a quick or easy solution to a problem that has been developing for years, but the nature of the patient-doctor relationship must be at the heart of any solution. Education that emphasizes professional values and responsibilities will be a necessary part of rediscovering and re-establishing that basic exchange-of-value contract between our patients and us.

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