

The Simple Healthcare Solution

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A. Comprehensiveness

1. What problem does this proposal address?

Directly or indirectly, this proposal addresses all the problems of healthcare in Colorado.

2. What are the objectives of your proposal?

Implementing bold, practical and simple legislation, this proposal aims to create an easy to use healthcare system that meets the needs of the people by increasing efficiency, decreasing the cost of delivering care, influencing the philosophy of medical care and aligning incentives to optimize satisfaction and foster quality care.

B. General

1. Describe your proposal in detail.

In order to describe my proposal I would like to start with some background. First, universal access to care, not “Increasing coverage,” or universal healthcare coverage should be the primary goal of reform. Universal healthcare coverage only insures that doctors and hospitals get paid, and it would exacerbate our current dysfunctional incentives to increase cost, complexity and inefficiency. We do not purchase insurance to pay for changing oil filters in our cars. This would cause people to change their oil filters more than necessary, cause the garage to raise the price of an oil filter change and cause the insurance company to make rules preventing too frequent or too expensive oil filter changes and it would bind it all up with administrative red tape. Economic theory would dictate we save and then pay cash for an oil filter change and buy insurance for higher priced expenses with lower probability of occurring such as collisions. Think of a healthcare system as having a set population to receive care and a set amount of money to pay for that care. It doesn't matter how many people have insurance coverage. The fact remains that the people with money help to pay for the people who don't have it. We can do this with an elaborate system of third party payers or we can eliminate the middle man and do it more efficiently by simply seeing patients regardless of their ability to pay. Our problem is not the number of people who are uninsured or underinsured. It is the high cost of healthcare. From an economic standpoint, there are only two solutions: either ration care, which I will dismiss as unacceptable, or drastically reduce the cost of delivering care.

Secondly we must define what essential care is. Essential care is having a knowledgeable friend who will listen and take the time to meet each patients needs. High tech medicine is the banner of modern medicine, but what is most important is having ready access to a doctor who can help put it all in perspective; a primary care physician who will treat you like he would treat his own family, and help you find specialty care when needed. I assure you there is no shortage of amazing individuals out there who want to help people. I meet and interview countless students, who, instead of partying during summer vacation, they go to third world countries to try and help people who need help. Unfortunately when they get to actually practice medicine they find that the majority of their time is not spent helping people, but playing a small part in the “business” of healthcare. They document and sign and document some more to satisfy the lawyers and the insurance companies until they say “If I have to put up with this I better be making money.” We need to make Colorado a place where doctors don’t lose that desire to simply help people. Make medicine rewarding again and there will be enough physicians out there who will help their fellow man for free as long as they can make a reasonable living.

Finally I believe healthcare reform must be simple. I’m sure some very smart people could take health statistics and prevalence of diseases, combine them with actuarial tables and inflation rate projections and devise a system that might work on paper. I believe this would be like trying to chase a cow into a stock trailer in the middle of a pasture. You could cut off every escape route for the cow, but you would need 20 cowboys on horseback and then you still might not get the cow in the trailer if she doesn’t want to go. We need to get the cow to want to go into the trailer. We need to devise a healthcare system that wants to work. i.e. Take one cowboy with a bucket of corn to lead the cow into the trailer. You cannot legislate quality care. You can only put faith in the fact you have given quality people the tools and environment to provide quality care.

There are five main points to my proposal.

The Unites States military healthcare system already utilizes a concept that will be crucial to the success of healthcare reform in Colorado. Military physicians cannot be sued. The healthcare system in America and in Colorado is in a desperate situation. Who

in this audience believes it so desperate to warrant so bold and courageous a move as to make it illegal to sue a doctor, physician's assistant, nurse practitioner or hospital in Colorado? I do. Impossible? Maybe not. The American liability and malpractice system is a terribly inefficient, costly and ineffective method of policing healthcare. The vast majority of mistakes never enter the system. The majority of lawsuits actually filed are unfounded. In only rare cases does the system work the way it is supposed to when a lawsuit is filed on a legitimate mistake. Making it illegal to sue a healthcare provider sets off a chain of events that combined with a few simple changes can revolutionize healthcare. People can file complaints to the Board of Medical Examiners who would become more active in policing physicians and ridding the state of incompetent doctors. The Board of Medical Examiners would also have the luxury and responsibility to pick and choose from the best of the best physicians who will flock to Colorado to practice, leaving no physician shortage areas. The state should develop a strategy of recruiting an army of primary care physicians with a broad scope of practice who are intent on meeting the needs of their patients, not intent on excessive wealth and offer these physicians esteem and moderate financial security, and the ability to spend the majority of their time taking care of patients unencumbered by administrative red tape.

Second, in exchange for this absolute tort reform, make it illegal for any physician in Colorado to refuse to see a patient because of their inability to pay. This means everybody has access to primary care which is the majority of our healthcare needs, and would enable the state to essentially eliminate Medicaid except for possibly maintaining some prescription drug assistance. Specialists must see patients, but are not required to agree to do heart transplant surgery or breast augmentation surgery in people who cannot afford it. Specialists may require an upfront payment for such procedures, but not for initial consultation. This means doctors will have to see patients for free sometimes. Primary care physicians become patients' advocate helping them get the care they need within their financial restraints.

Third, develop legislation that gives people and businesses incentives that encourage people to get major medical insurance and contribute to Health Savings Accounts, discouraging buying insurance for dollar one primary care. The state should give a tax credit or some other tax incentive for employers and individuals to contribute

to Health Savings Accounts. Other incentives must be made for non-taxable entities such as school districts. This would create a situation where most people would pay for primary care with their own money rather than having third party payers pay for dollar one healthcare. Again, having people save and pay cash for inexpensive primary care eliminates the need for as many office staff, reducing the time being spent getting tests, medications and referrals pre-approved by insurance companies, leaving more time for patient care. Major medical insurance providers should not be allowed to pick and choose. The premiums should be based on age and deductible, and they should have a smoking rate and a non-smoking rate. The principle of insurance is to spread risk among a large population, and insurance carriers should not be allowed to reject or hike up premiums on individuals. This would increase the premium paid by healthy people, but this would be offset by the overall decrease in premiums made possible by absolute tort reform and increased efficiency in the system allowing for drastic decrease in the cost of delivering care.

Fourth, put the price on everything. Patients should have the right to know the cost of labs and tests before they agree to take them. They should have a general idea of what an office visit or a vasectomy will cost before they agree to it. One of the few areas of this proposal that will require technology involves making it easy to allow doctors and patients to know the cost of medications at the time they are prescribed in the doctor's office. It would not be feasible to require this in hospitals, but this is a change that can be implemented in the outpatient setting.

Fifth, subsidize preventive medicine. The disadvantage of this reform proposal is that people will have less incentive to do preventive medicine screening. The state will have to utilize funds to partner with primary care physicians to educate the public on preventive medicine screening and subsidize selected screening interventions. All preventive medicine, however is not cost effective and some may even be harmful. The Colorado state public health department or some other task force would help update the list of recommended subsidized screenings for example utilizing the Report of the U.S. Preventive Services Task Force. Other interventions that have the biggest impact on public health such as immunizations and flu shots would be considered for state subsidy.

These five measures alone will lead healthcare in Colorado in the right direction. There are a few minor measures that should be considered for added savings. Make it illegal for drug representatives to give drug samples, or gifts to doctors. It has been shown that where drug reps and drug detailing are not allowed physicians prescribe more cost effectively without detriment to the health of patients. Make it illegal for hospitals to make contracts and policies which prevent patients from having certain choices. Specifically, a patient with a broken arm that has been identified reduced and casted by the treating physician should be able to choose to avoid the added expense of having a radiologist re-read the x-ray. The treating physician should be able to request certain x-rays not be re-read by a radiologist. A patient should be able to know that it is routine for sections of the fallopian tubes that are removed in a tubal ligation are sent to pathology to confirm the tissue, and that patient should be able to refuse to have the specimen sent for confirmation.

2. Who will benefit? Who will be negatively affected?

If the cost of delivering healthcare is lowered, health insurance premiums (for major medical insurance) should decrease substantially. Overall expenditure on healthcare should decrease. Doctors will make less money, but they would no longer have to buy malpractice insurance. The percentage of their time actually listening and helping patients should increase dramatically as should their job satisfaction. They can write detailed notes for complicated patients, but two lines are now sufficient for a simple ear infection because we don't need to "prove" we actually looked in the ears and we don't have to justify our bill. We won't need to hire three people just to code our charges and get pre-approval for tests and referrals.

Patients will all have access to primary care. When they need it, it will be given at free or reduced rates. They won't need to have their insurance card at the ready just to get in to the doctor. Patients will know what their care will cost, and what they are paying for.

Hospitals will be able to more efficiently provide quality care. For example without the threat of lawsuit, nurses could chart as I believe they do in Canada, charting by exception. In other words instead of documenting everything they checked on a

patient, they simply document what was abnormal. No longer would we have to worry about the lawyer's claims that if we didn't write it down, we didn't do it.

Colorado would benefit. Businesses and cities and counties and school districts would be unburdened of the staggering costs of health insurance premiums for employees. Colorado would thus become a more attractive place for businesses. Any state with effective healthcare reform will enjoy economic benefits.

Doctors will be negatively impacted as I have mentioned before by the fact that they will make a little less money, but I believe the advantages far outweigh this decreased income. The healthcare industry itself will enjoy less income, but hopefully lower overhead. Drug companies will be negatively impacted by the resultant incentive for doctors and patients to choose the least expensive medications, and their inability to bribe doctors to use the more expensive medications. Malpractice lawyers and malpractice insurance company employees may be looking for new jobs. Many administrative personnel in clinics will have to do something more directly related to patient care, or they may be out of jobs.

3. How will your proposal impact distinct populations?

There will be no real distinction between populations when it comes to primary care. Everybody will get it. They pay what they can. Everybody may not have access to specialty procedures, but I believe happier doctors will be willing to give more free and discounted care.

4. Evidence regarding success or failure of your approach.

I have no evidence except to say I practiced in the military healthcare system where doctors are immune to lawsuit and the quality of care is just as good as in the civilian sector.

5. How will the program included in the proposal be governed and administered?

The Colorado Board of Medical Examiners already has a mechanism by which people can file formal complaints and doctors have to respond. The case is reviewed by a panel of peers. The rest of the proposal would simply involve passing laws to require access to care regardless of ability to pay and creating tax credits and other incentives to

encourage HSA's and use of major medical insurance. The state would have to analyze and budget for subsidy of preventive medicine.

6. Any laws or regulations need to be changed?

Only the laws already mentioned would need to be passed. Of course the big ones are total tort reform and elimination or reduction of Medicaid. It would be helpful if, on the federal level, HSA's were allowed to be passed on from generation to generation, and federal funding were made available to allow primary care physicians to complete training debt free, so they don't have to focus on paying off student loans when they start practice.

7. How will your program be implemented? Transition? What time period?

I think implementing the program is rather self explanatory. I don't know how long after legislation it will take for people to catch on to HSA's and the new healthcare system. I don't know how long it will take for clinics to post charges for office visits and labs. I am confident however, that all of a sudden the healthcare system will start fixing itself.

C. Access

1. Does this proposal expand access?

Yes. Everyone has access to primary care.

2. How will the program affect safety net providers?

All primary care physicians become safety net providers. Hopefully it will distribute low income patients more evenly among providers.

D. Coverage

1. Expand health care coverage?

No. However lower cost of delivering care should result in more affordable insurance premiums. Ideally more people will be able to afford major medical insurance. If there is a goal of increased insurance coverage, it should be increased major medical insurance coverage.

2. How will outreach and enrollment be conducted?

N/A

3. How does your proposal define resident?

N/A. One issue would be, would a disproportionate number of low income people move to Colorado due to increased access to medical care? I think many businesses would move to Colorado for the same reasons mentioned above.

E. Affordability

1. What will enrollee and employer premium-sharing requirements be?

None.

2. How will co-payments and other cost-sharing be structured?

N/A.

F. Portability

1. Describe any provisions for assuring that individuals maintain access to coverage even as life circumstances and health status change.

Not allowing major medical insurance carriers to single out individuals that are higher risk for more healthcare expenses, and keeping them in the big pool will insure people maintain reasonable access to major medical insurance.

G. Benefits

1. Describe how and why the benefits under your proposal are adequate...

N/A

2. Identify an existing Colorado benefit package that is similar...

N/A

H. Quality

1. How will quality be defined, measured and improved?

Medicine is art. Medicare and the federal government will force us to define and measure and prove quality. Don't waste the state's resources. I suspect Colorado will lead the nation in quality if we achieve real healthcare reform.

2. How will quality of care be improved.

Content doctors and nurses unencumbered with red tape will be more likely to take care of patients like they would take care of a family member. That is better than any evidence based algorithm or computer program.

I. Efficiency

1. Does your proposal decrease or contain health care costs? How?

My proposal minimizes the use of health insurance companies that add complexity and take dollars out of the state. It makes outpatient medicine simple and altruistic and decreases inefficiency. It saves the doctor time and money, and expects the savings to be passed on to the patient. It lifts the dead weight of the medical malpractice system from our shoulders.

2. To what extent does your proposal use incentives for providers, consumers, plans to reward behavior that minimizes costs and maximizes access and quality in the health care services?

Paying cash for primary care gives consumers incentive to shop around for the best priced quality care. This gives providers incentive to provide quality care at a fair price. Access to primary care is guaranteed.

3. Does this proposal address transparency of costs and quality.

This proposal directly addresses transparency of cost by requiring clinics let patients know what visits, labs and procedures cost in advance. Drug costs must be made available at the time of prescribing. My proposal does not address transparency of quality. That is for the consumer to determine face to face. Is my doctor meeting my needs?

4. How would your proposal impact administrative costs?

Reduce them.

J. Consumer choice and empowerment

1. Does your proposal address consumer choice? If so, how?

My proposal does not specifically address consumer choice, however it is implicit in the proposal that consumers must be empowered to navigate the healthcare system. The system must be user friendly and easy to access. They have the right to know what care and treatment is going to cost. Since they cannot sue, healthcare consumers must be empowered with the ability and the responsibility to feel comfortable that their healthcare needs are being met. If not, they need to be educated that they need to return or find another provider. It is clearly better to take responsibility as a consumer than to sue after harm has been done.

2. How would your proposal help consumers to be more informed about and better equipped to engage in health care decisions?

I think just as we must take the initiative to educate people on preventive medicine, we must make an effort to educate the public on the need to be educated and proactive healthcare consumers. However, my proposal does not directly address this issue.

K. Wellness and Prevention?

1. How does your proposal address wellness and prevention?

My proposal calls for state funding for education and subsidy for cost effective preventive medicine and wellness.

L. Sustainability

1. How is your proposal sustainable over the long-term?

My proposal focuses on bold measures to decrease the cost of delivering care. Sustainability was the guiding principle in formulating the proposal. Sustainability can only be measured by a proposal's ability to decrease the cost of delivering care, not by the number of people insured. This gets back to a certain pot of money needed to care for a defined population of people. My proposal decreases the cost of delivering care.

2. How much do you estimate this proposal will cost? Save?

I am not capable of giving actual figures.

3. Who will pay for any new costs under your proposal?

The state would pay for education and subsidy for prevention and wellness.

4. How will distribution of costs for individuals, employees, employers, government be affected?

The proposal will shift costs for primary care to the individual, but this is offset by savings to all in insurance premiums. I would anticipate that the state's costs in funding prevention and wellness would be offset by being able to eliminate or markedly reduce Medicaid benefits.

5. New mandates on payers?

Major medical insurance providers would be required to offer coverage to everybody in the state regardless of medical condition without being able to individually raise premiums for high risk patients.

6. Cost shifting?

Cost shifting is inevitable. People who have money help pay for people who don't. My proposal utilizes gratis care and discounts at the primary care level to reduce inefficiency and waste as we shift costs.

7. New public funds?

I don't think so. I don't know how much subsidy for prevention and wellness will cost, but the state should be able to calculate the cost and offer what monies the state can afford.

8. Source of new funds?

None.

10. Single page describing how your proposal is either comprehensive or would fit into a comprehensive proposal.

This proposal is comprehensive. I believe it offers a solution that would make our current monster of a healthcare system want to go into the trailer. It will entice the system to serve our people's needs, placing constructive incentives at every turn. It gives everybody reasonable access to shop around for a primary care provider who will be a friend and ally. It influences the providers to return to the true spirit of medicine. This proposal reduces cost and inefficiency in delivering health care which is the only way to assure sustainability.

11. How proposal was developed.

In 2004, frustrated with everything about the healthcare system I wrote a paper entitled "Making Waves: the Simple Healthcare Solution". It was more of a cathartic exercise born out of my frustrations, but I received positive feedback from people such as Dr. Jack Berry, past president of the Colorado Medical Society and former governor Richard Lamm. I never published it, but it sits on my shelves in my office. In the meantime during a session of senseless paperwork I commented to my colleagues that "25% of what I do keeps me coming back to work, but 75% of what I do is crap." This was received so well, that in fun my colleagues developed the "Uyemura crap-meter". Currently the "crap-meter" has gone up to 80%.

Just a month ago, while standing at the nurse's station at the hospital waiting for labs on my 1 AM emergency room patient with abdominal pain, I was glancing at an

article in the newspaper that mentioned that the Blue Ribbon Commission was soliciting for proposals for health care reform. I dusted off my paper and set it aside on my desk next to the newspaper article. At first I thought I could just turn in my paper, but after reading the guidelines I decided to go ahead and write this proposal. Perhaps coming in to see the patient that morning may have been more significant than I originally thought.