Ask the Experts

In this and future issues of *MPM*, we ask a panel of experts to comment on a pressing issue of the day. Let us know if you have suggestions regarding experts you would like to hear from or questions you would like to see addressed.

Do you think that the scope of managed care is going to grow or decrease under the next President? What models of healthcare delivery hold promise to provide high-quality and cost-effective care for older persons?

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This is a complex multifaceted issue and question. If Senator Obama wins the general election, he has proposed various plans to make health insurance coverage universal. Surely managed care plans will be part of the mix, although exactly what kinds of plans end up being created and offered remains to be seen.

At the risk of sounding too political, and I am NOT recommending or supporting any individual candidate or party, I would NOT wish to see an expansion of managed care. Regardless of party affiliation, I suspect most Americans—patients and physicians alike—dislike the hassles, paperwork, and coverage limitations, amounting to rationing, that are inevitably involved in any managed care plan. I am an advocate of free enterprise, and managed care regardless of appearances is NOT a creature of free enterprise. Rather it was created, encouraged, and mandated by government.

Although I have some disagreements with Senator McCain, I support his concept of making health insurance more portable—chosen and controlled by individuals and families more than employers and government.

I also believe health care can be made more affordable and accessible to patients by offering more choices of providers and sites of care, including various types of clinics and expanded use of mid-level practitioners such as nurses and PAs. And, of course, we must stress prevention, generic prescriptions, and various other cost-saving measures and efficiencies, but with the aging of the population, it will be very difficult to contain costs and maintain access by any conceivable measure.

N.B. These opinions are my own and NOT endorsed by my university or any other organization or group or publication.

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Those systems that have the highest level of efficiency would be the models of healthcare delivery that hold promise to provide high-quality and cost-effective care for older persons. Those models include convenient care clinics, increased use of NPs as primary care providers, and technologies such as electronic health records, e-prescribing, or home health monitoring.

One of the difficulties with these models is the silos in which they must fit and the established forces they must fight. Take, for example, the use of NPs and convenient care clinics. The American Medical Association continues to fight their use despite access-to-care issues that could be alleviated by their utilization. Another example is that e-prescribing, which is beneficial to patients, payers, and pharmacies, is costly to physician practices.

Programs that utilize the entire care team such as the Program for All-inclusive Care for the Elderly (PACE) and special needs plans definitely show promise, but their expansion is limited by their high costs. The federal and state governments subsidize the premiums 100% for low-income individuals and provide no subsidies for everyone else. As a result, PACE only attracts those receiving this subsidy or those who are spending down their own resources.

In the end, the models that succeed will be those that are efficient but can grow in our current fragmented and siloed system.

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The only way to give providers an incentive to manage the patient is through a Medicare Advantage–type product. Providers that take the moral high ground will develop appropriate levels of care that may include physician assistants (PAs), convenient care clinics, and so forth. "Morally flexible" providers will withhold care and patients will suffer. The provider networks that are capable of managing these providers will be very large with sophisticated infrastructures.

A key issue is how much the payers will skim off the top of these plans and how much will be left for providers—this is a far more critical question than which delivery model will be used.

My bet is that the next iteration of healthcare reform will fail, and we will see major payment reform around 2014 after the current system has driven many physicians into employment by hospitals and after 50%+ of the hospitals report negative operating margins. M*P*M