Health reform depends on improving quality

by The St. Louis Post-Dispatch

American taxpayers already have spent more than $2 trillion bailing out banks and insurance companies. Can we afford to reform health care, too?

It's an understandable question, one that was at center stage Thursday when the White House convened a health reform summit. Here's a better question: Can we afford not to?

Americans will spend $2.5 trillion on health care this year. That's an increase of 85 percent since 2000.

The nation's medical bill has been growing at about twice the rate of inflation for the past several years. Now, with the economy in free fall, it still continues to grow. According to the latest projections, that trend will persist into the foreseeable future.

We are, in other words, in the same position with health care as we were with banks and insurance companies: Too heavily invested to let it fail, with too much potential liability to permit business as usual.

To most people, health care reform means covering the uninsured. That's certainly part of it, a job that gets bigger every day.

In December, the unemployment rate hit 7.2 percent, the highest in 16 years. Most economists expect it to go even higher when figures for January are released on Friday.

About 45.7 million Americans were without health insurance in 2007, before the economic meltdown. That number had, by one authoritative estimate, grown to more than 48.3 million by December. If the national unemployment rate exceeds 8 percent, more than 50 million will be uninsured.

That's obviously a big problem for them. But it's an even bigger problem to the rest of us, because much of the cost of their care gets shifted onto us. That sends insurance premiums even higher, which causes more people to lose health insurance, and so the cycle continues.

The most obvious priority for health reform, then, is to shore up the existing system. The fiscal stimulus bill did some of that by providing $87 billion to state governments to help underwrite higher Medicaid costs.

In the short term, that should help prevent the system's failure. But by itself, it's business as usual. It falls far short of addressing the long-term problems of the health care system.

A major part of that challenge is getting rid of the myth that says the more you spend on health care, the better care you get.

Medicare, the federal health program for the elderly, spends far more per person in some parts of the country than in others. Average spending in Miami, for example, is nearly double that in Minneapolis. Yet elderly people in Miami don't live any longer or have any better quality of life than those in Minneapolis.

Between 1992 and 2006, Medicare spending grew twice as fast in Miami as it did in San Francisco. It increased by 146 percent in St. Louis and a whopping 206 percent in Kansas City.

The implications of those differences are immense. Doctors at Dartmouth University, who compiled those figures, recently estimated that we could save $1.42 trillion by 2023 simply by adopting the same health strategies that led to lower spending growth in places like San Francisco.

That doesn't mean rationing care or denying sick people medical treatment. It means providing care more efficiently.

Improving health quality is every bit as important as shoring up the existing system. In the long run, it's the only way to ensure any of us can get the care we need.

Reprinted From The St. Louis Post-Dispatch. Distributed By Creators Syndicate.

Health reform depends on improving quality by The St. Louis Post-Dispatch