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Conflicts of Interest in Universal Health Care

CONFLICTS OF INTEREST IN UNIVERSAL HEALTH CARE

Our presidential election is only days away, 48 million people in America are uninsured and healthcare costs are rising two to three times faster than our nation's GDP. Where will America's healthcare system be in five years? Welcome to ReachMD's monthly series focussed on public health policy. This month we explore the many questions facing healthcare today.

Universal healthcare is Massachusetts playing in the way. You are listening to ReachMD XM 157, the channel for medical professionals. Welcome to the Clinician's Roundtable. I am your host Dr. Gary Kohn and joining me is Mr. Merrill Goozner.

He is the director of the integrity in science project at the Center for Science in the Public Interest CSPI in Washington D. C. Mr. Goozner joined CSPI after a 25-year career in journalism mostly with the Chicago Tribune. His current work involves the investigation of scientific conflict of interest in the academic literature, the press and the federal advisory committees. Today, we are going to be talking about Massachusetts' effort at universal healthcare

Dr. KOHN:

Merrill, thanks for joining us today. We appreciate it.

Mr. GOOZNER:

My pleasure to be here.

Dr. KOHN:

Before we talk about Massachusetts, could you tell us a little bit about your own background, how you got into the healthcare reporting business.

Mr. GOOZNER:

Actually, I got into healthcare reporting from being an economic correspondent and covering the debate in the late 1990s over Medicare reform and that took me into an investigative reporting of the drug industry which led to my book, The $800 Million Pill which came out in

2004 and just by thinking a lot about prices and drugs and how it interacts with the healthcare system, I have done a lot more research in writing in this decade of just about the healthcare system as a whole and especially the influence of money on the healthcare system and how in many ways it is undermining our ability to deliver high-quality healthcare to all of our citizens.

Dr. KOHN:

Speaking of money and healthcare, Massachusetts has on the table what looks like it might be the first state to impose a mandate on individuals with respect with healthcare insurance. Given your background of what you do in the Integrity in Science Project, let me ask you this, with a large effort like this, especially one that poses a complex hodgepodge of fixes, are efforts like these likely to have conflicts of interest and if so, how do somebody like you or how does your group look at such things, how do you investigate such things, or do you?

Mr. GOOZNER:

At the state level, we have not done a lot of work. I have focused most of my effort at the national level, but to answer your question, yes there is absolutely a tremendous amount of pressure that goes into the construction of any of these plans for universal healthcare whether it is at the state or national level. That pressure comes in the form of lobby and because you have very distinct special interest <_____>, you have the insurance industry which obviously collects fees from everybody who gets insurance and then pays out for healthcare so the difference between the two is their profit. So they have this interest in trying to minimize what they have to cover. We can remember the great fights of the late 1990s when the health maintenance organizations were being pushed by the insurance industry and then, of course, were the denials of care and you have the backlash of the patient rights movements and so insurance companies have these natural intention in that their profit is determined by delivering less care. On the other hands, you have the provider community, the doctors, the hospitals, the free standing clinics often that are owned by doctors, you have the drug industry, the medical device industry, the durable equipment industry, and all of these folks are getting their paychecks in essence from this 2.2 trillion dollar economy, it is one-seventh of all economic activity in the United States that is around healthcare, which by the way is a good full 4 or 5 percentage points higher than at the percent of GDP than any other country in the world, and that's because we pay the highest prices in the world for almost everything; the highest drug prices, the highest per day cost in hospitalization, on and on and on. Our doctors make 20 to 30 to 40% higher than doctors in other countries around the world and this is in purchasing power parity and because we have so many specialists here. In European countries, they have 70% primary care doctors and 30% specialists, here the ratio is just the reverse, so all of these special interest, not to mention patient advocacy groups who were saying cover my disease in a certain way very often and so trying to push the boundaries of coverage, all of these special interests come into play when you are trying to reform the insurance system.

Dr. KOHN:

Is it likely given your experience that these conflicts of interests are at all transparent to the voting public to the legislature that is making these decisions, and if not, how do you guys go about helping. I know you don't generally deal in the state level, but in such cases how is that information best transmitted or is it ever, is it possible, do you conceive that it could be?

Mr. GOOZNER:

Lobbying laws in most states are fairly transparent, but that doesn't really get at the underlying scope of the problem because lobbying is really only the tip of the iceberg. So much of what goes on in healthcare today is really a war over standards and that those standards, for instance, clinical practice guidelines that are written by physicians or physician organizations such as their professional societies or

formularies which may be established for what drugs and insurance plans will or will not buy become a huge tug-of-war between drug companies, drug companies and generics, between drug companies and the insurance companies, you can go on and on and on. There are debates that go on in the medical literature about what is the best way to treat something. We don't have very good information in our society about what are the best things for a particular condition. If you are identified with prostate cancer in your late 60s, should you have it cut out, should you get a radiating seed, should just watch and wait, what's the best course for you? The literature is not all that clear or if you go to the literature what you will find is that if you are a radiologist and your society may say one thing where if you are a general practitioner you may say another and if you are the oncologist who gives drugs in his office and can make a markup for doing that, he may say let's go to chemotherapy. If you are a surgeon, you might say well our society thinks the best thing to do is cut it out. So even in the very practice of medicine, we see conflicts of interest sort of influencing the decision making that goes on. So what we don't have is we don't have a source of objective information. In Great Britain, for instance, you have the National Institute for Clinical Excellence which is a quasi-governmental organization that actually does systemic reviews of medical evidence and then publishes what it believes to be the best practice. Now as a practical matter of the National Health Service in Great Britain, they adopt that as a standard. We don't even get to step one here, never mind the fact we don't have a National Health Service that can adopt common standards. So that means it is left to insurance companies and patient groups and doctors to all sponsor their own views of these subjects where we can come up with a sort of Tower of Babel kind of conflicting advice, some of which conflicts with what other advice people are giving, and doctors sometimes, and patients don't even really know what the best thing to do. So we have huge variations in care around the country, huge variations in outcomes around the country. You can be spending twice as much in one area as you are doing in another and no difference in outcomes or even sometimes the higher spending area will have worse outcomes. It's just a complete hodgepodge.

Dr. KOHN:

Any analogies you see here and Massachusetts' effort to impose mandates on individuals and some of the arguments and issues that were raised with HMO's in the past.

Mr. GOOZNER:

It's still a little unclear exactly what's going to happen in Massachusetts. I know that the latest news is that many people are signing up for Health insurance and what their finding is that when they go out to get their primary care physicians finally which is required under any insurance plan, the kind of gatekeeper, you are the person you know, who you are supposed to get your annual physical from and those kinds of things, what their finding is that doctors are so booked up that they can't take them for six months or a year or they can't even find a doctor. So when the underserved population ..

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