

The False Prophets of Managed Care

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In the wake of managed care's first assault, I have noticed that many doctors are displaying symptoms that could only be described as post-traumatic shock syndrome. Many years ago, I saw a movie depicting soldiers that had been marooned on a desert island in the South Pacific and had lost all communications with the outside world. Decades later, the stranded soldiers didn't know that the war had ended 20 years earlier. This story reminds me of many of the practitioners I meet today. During the first battle with managed care, they blacked out and woke up three years later, unaware that the doctors actually won the first round. Yes, there were casualties, but all in all the unit came through in one piece.

During the early days of the Cold War, Nikita Khrushchev pounded his fist and the heel of his shoe on the lectern during a speech at the United Nations, boldly pronouncing to the West (and the U.S. in particular), "We will bury you!" So it was in the early days of managed care as well. Insurance companies boldly pronounced that they would soon be the only game in town.

At the American Dental convention held a few years ago in Hawaii, a dentist told me how he accidentally bumped into the head of Humana Health Services. The dentist apologized, but the CEO, needing to retaliate a bit, told the dentist that one day he would be working for him. The dentist, not knowing to whom he was speaking, asked the elderly gentleman what he was referring to.

The CEO explained to the dentist that in the not-too-distant future, all doctors and dentists would be the employees of HMOs, or they would have no place in health care at all. The dentist told him that he was mistaken and that he would never work for this man's company or any like it.

Interestingly enough, the cockiness of the industry no doubt arises from the deft manner in which they used the media to dispatch Mrs. Clinton and her national health care plan. This is interesting because now we hardly see a week go by without major newspapers and magazines blasting scare stories about managed care abuse. Several months ago, *Time's* cover pictured a surgeon with his surgical mask in his mouth. The accompanying story was about how HMOs can force doctors not to tell patients of life-saving treatments that are not covered under the HMO plan. Another week, the cover of *Barrons* magazine pictured a live patient with a tag on his toe; the story was about how low HMOs have sunk.

Announcements of victory by the insurance companies at this point were reminiscent of Saddam Hussein's claim of victory during operation Desert Storm. The fact that 400,000 of his troops surrendered with almost no casualties to the allied forces didn't figure into his claims. Much of what insurance companies hoped to accomplish with their intimidation and threats was to generate a sense of hopelessness on the part of health care providers, so that they would panic and sell themselves cheaply to the conquering HMO army.

If they could pull it off quickly, even patients would have to accept whatever insurance companies wanted to offer them, because there would literally not be any fee-for-service doctors still living in the wild. The patient would just have to get used to the idea that a non-doctor, non-caring

gatekeeper would get to decide if treatment was warranted after the financial bottom line was considered.

I hate to admit how close insurance companies came to reaching their objective. Many of our veteran clients had no choice but to live off savings while they completely redesigned their practices to compete in an all-cash environment. The doctors who were not willing to humbly go back out and promote new patients through the door in substantial numbers, just like a start-up doctor, either went under or lived a hellish existence at survival levels.

In a book I completed recently about the Civil War, I was surprised to realize that most battles were actually composed of North and South troops lining up in close proximity and firing a few rifle shots and cannon rounds. Eventually one side or the other would lose confidence and panic, then in a state of pure terror they would flee in total defiance of their leaders shouting encouragement and threats. Once the route began, there seldom proved anything that the leaders of the fleeing army could do to deter the chaotic retreat. A few of the soldiers would actually run backwards, so as to be shot in the chest instead of the back in an effort to salvage some morsel of dignity in death.

It will be interesting to watch what the insurance companies will do now, because they have failed in their first foray into battle. The weapon of choice of the HMO was to brandish the scalps of patients that had once been the property of the doctor. Yes, some doctors panicked and fled to the enemy, betraying patients, submitting themselves to insurance companies for reeducation so they can deliver something like quality health care, only without the diagnosis and treatment. Some brave souls fought and died, shot in the chest or in the back as they waffled between trying to participate partially in some managed care, but not too much.

But to my surprise, and to the surprise of the insurance companies, the vast majority are still standing even in the face of such a masterfully planned and overpoweringly promoted *blitzkrieg*. What too many doctors are failing to realize is that now is the ideal time for a counterattack, while the insurance companies are confused and without a new strategy. We are seeing doctors around the country setting records in all aspects of practice. They are working much harder to accomplish these feats, but it is paying off, and a new resolve is taking shape at the grassroots level as to the appropriate posture one should take towards managed care.

Many HMOs now require patients to pay something on each visit to prevent patients from overutilizing the system. The portion the patient has to pay has reached \$20 in some areas. What the insurance company may not realize is that soon the nonparticipating doctor will be able to compete by just charging as full payment the fee that approximates the HMO co-payment. When this happens, you know that the tide of battle has finally turned in favor of the provider. After all, if the insurance company can only prevent overutilization by forcing the patient to pay a portion of each visit so great that a nonparticipating doctor can thrive on that same co-payment as a full payment, I guess you can say that the scalps are hanging from our belts now.

The insurance companies would have you believe that they offer you your only long-term choice for being in practice. It is my observation that all they are offering you is a way to death for next to nothing in return. If rich, powerful physicians have not yet figured out how to service managed programs, why think that we will fare better? Are we thinking that lack of unity and political power, combined with only limited acceptance from the general public and scientific community, will be the secret to unlocking the riches of HMOs?

The early reports are in, and it appears that the HMOs are going to be the winner in the race for best cost-containment format. In some ways this is good for chiropractic, because the chiropractor, although invited to join, is not given a way to access patients within the plan without the

improbable blessing of the MBA gatekeeper, who has yet to send a patient your way. This is good because you, unlike the physicians, know where you stand. The May, 1994 issue of Medical Economics featured "When HMOs Don't Want You Anymore," highlighting the problem encountered by 20% of all HMO physicians who would be thrown out of their HMOs in 1994.

Now is the time to strike back. You cannot attack while laying prostrate in the bottom of your foxhole. After losing patients to managed care, many doctors have let their leases run out and renewed much smaller portions of their existing lease space. Some doctors have not replaced staff persons who have quit, leaving the practice dangerously understaffed. In the Civil War, the time for a counterattack was while the other side was nervously reloading their weapons. I am not referring to a rag-tag bunch of guerilla fighters. The main battle force is still intact and in fighting shape. We have the moral high ground, the spark of life, and the energy that patients will not find on the faces of the lost, desperate souls that have to live without hope or peace of mind. Patients have been in HMOs long enough to know how that there really is a difference between managed care and what they had before.

Your part in this battle is clear. First, firm up on quality health care. Second, be willing to stay in the practice promotion mode for as long as it takes to outlast managed health care's initial onslaught, knowing that patients are not as stupid as insurance companies are counting on them being. When both the patient and the doctor realize that the promise of unlimited health care for a limited price is an illusion, we will see the HMO market share begin to dwindle (as it is now doing in states that were initially dominated by managed care).

If you doubt the validity of this message, ask yourself, how many HMOs would you join if you knew they weren't going to let you treat once you were in? How many would you join if you had substantial numbers of new patients lining up outside your office right now? Face it: joining these programs are acts of desperation. How much harder and braver would you fight in a battle where you knew that you and those in your charge would be submitted to torture and humiliation if captured? Many doctors today feel like a deer caught in the headlights of an oncoming truck. They don't know whether to cross or go back the way they came. I can tell you from ample consulting experience that there is no "other" side of the road; there is only the fee-for-service side you came from. There is no time to hesitate. The oncoming managed care truck is temporarily stalled, thus giving you your chance to flee to safety of high integrity health care.

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