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Why Not Fix It?

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Why Not Fix It?

Abstract

Have you felt the pinch of rising health care costs this year? If not, maybe you haven't actually needed to see a doctor or pay for a prescription. Even those of us who are lucky enough to be "covered" at work have noticed rapidly rising deductibles and copays - and shrinking networks of providers. Employers, facing a big, one-year increase in insurance costs, naturally enough go shopping for a new plan. But the big savings with a new plan often mean a big effective pay cut for everyone who's covered under it when employee contributions, deductibles and copays all rise dramatically. And that raise you were counting on? Guess what just ate it!
[excerpt]

Keywords

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Disciplines

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Comments

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Opinion

Why not fix it?

Have you felt the pinch of rising health care costs this year? If not, maybe you haven't actually needed to see a doctor or pay for a prescription. Even those of us who are lucky enough to be "covered" at work have noticed rapidly rising deductibles and copays—and shrinking networks of providers. Employers, facing a big, one-year increase in insurance costs, naturally enough go shopping for a new plan. But the big savings with a new plan often mean a big effective pay cut for everyone who's covered under it when employee contributions, deductibles and copays all rise dramatically. And that raise you were counting on? Guess what just ate it!

Why is the cost of insurance still rising for many of us while coverage shrinks? Why are well-intentioned CEOs who want to provide coverage for their employees and their families still facing unsustainable increases in insurance costs? Why is the United States spending nearly twice as much per capita on healthcare as other industrialized countries like Germany, France and Canada—who, by the way, cover everybody? Are there really no other options for the good old USA?

Fix It: Healthcare at the Tipping Point, a new film inspired, funded, and coproduced by Richard Master, CEO of MCS Industries based in Allentown, Pennsylvania, seeks to answer these and other questions about healthcare in America. The company, which sends more than \$170 million in picture frames around the world each year, was facing a doubling of health insurance costs over a ten-year period. In order to honor his commitment to providing coverage for his employees and their families while maintaining the profitability of his company, Master decided to learn more about the healthcare system and to explore alternatives for funding insurance.

His quest takes Master and filmmaker Vincent Mondillo across Pennsylvania and the United States and eventually into Canada. They interview healthcare experts, government officials, and former insurance executives, as well as physicians and patients from both countries. A rather alarming picture emerges as those interviewed describe a fragmented system in the United States where more than 60 percent of family bankruptcies still result from medical expenses even though 75 percent of these families have insurance at the time of their medical emergency. The Affordable Care Act brought insurance to more

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than 20 million Americans who never had it before, but much of that gain relied on an expansion of Medicaid. Many Americans still don't qualify for coverage or have chosen to go without.

In the film John Callahan, mayor of Bethlehem, Pennsylvania, describes how his father, the owner of a small trucking company, lost everything when he was involved in a serious accident without sufficient coverage. Callahan goes on to reflect on the impact of high insurance costs on infrastructure investment in Pennsylvania and on the purchasing power of ordinary citizens. Government at all levels—school boards included—must carry the heavy burden of providing access to care to employees, while often postponing necessary investments in facilities and staff. Ordinary citizens, in addition, must often forgo raises—and the increased purchasing power that might drive the local economy—so their employers can afford to maintain coverage.

The filmmakers also interview Dr. Dwight Michael of Gettysburg Family Practice. Dr. Michael describes how his practice maintains three full-time staff members who are focused exclusively on negotiating with insurance companies to insure coverage of necessary medicines and procedures. They work with more than 20 different companies who operate by more than 20 different sets of rules. According to Michael, staff often have to fight to have a procedure covered, and necessary care is sometimes compromised or denied outright. On average, he explains, physicians spend \$84,000 a year to provide this staffing in their practices.

For-profit insurance companies spend a good bit themselves on staffing, according to Master, the main point being to deflect costs away from the insurance provider and back onto patients. Administrative and marketing costs are also quite high in the United States. For every dollar spent on premiums, he says, 33 cents are

spent on costs that have nothing to do with care.

Perhaps the worst thing about insurance in America that the film presents is the insecurity for ordinary people that comes with this fragmented system. According to former insurance executive—and whistle blower—Wendell Potter, who appears throughout the film, "The shock comes when you try to use your insurance" and find that your coverage is actually limited in ways you didn't anticipate. When we lose a job or lose coverage at our place of employment, "we're all just one accident or serious illness away from catastrophe."

To take a look at an alternative approach, Master and his crew head to Canada where they interview physicians, administrators and businessmen, even a member of the Conservative Party, all of whom are strong advocates of Canada's Medicare-for-All approach. No premiums, no deductibles or copays, everybody covered. A CEO talks about his company's decision not to relocate in the United States because of the added burden of providing health coverage to employees.

Down here in the United States, of course, we've been carefully trained by insurance companies and their allies in Congress to discount all this fluffy talk of a public, nonprofit approach to funding universal access to care. But by including everybody, by cutting administrative costs from well above 20 percent to below 3 percent, and by negotiating lower drug prices and fairer, less capricious pricing for hospital stays and medical procedures, Canadians are able to deliver top quality care at just slightly more than half of what we spend per capita. Doctors and other providers remain private, and outcomes by many measures (such as rates of death from preventable illnesses) are consistently better than those in the United States.

Sound too good to be true? Why not take a look at this fast-moving, well-made film and decide for yourself? Just Google "Fix It: Healthcare at the Tipping Point" and stream the whole thing for free off the website. And if you like what you see, make sure to let your coworkers, friends and family in on the surprise!

Will Lane teaches at Gettysburg College and directs the College's student-staffed writing center. He is a longtime member of Gettysburg Area Democracy for America and serves as secretary of its healthcare task force.