

The following is the first in an occasional series of critiques, commentaries, and points of view on the state of healthcare today and in the future. This column will feature opinions from our editorial board members, regular contributors, and other leading experts in the field who are willing to share their vision and voice on the issues that impact the nation's healthcare system.

A Call to Arms for Managed Care

A backlash among patients against the bureaucratic and restrictive practices of managed care should give a big boost to federal health legislation intended to bring the personal touch back to medicine.” Thus read the opening sentence of an article that appeared in Kiplinger's Personal Finance Magazine.¹ The bad guys: managed care. The good guys: the federal government, your personal healthcare provider. Just how managed care organizations are “bureaucratic and restrictive” was not addressed in the article, nor was how the federal government would managed to apply “the personal touch.”

The healthcare debate must be redefined—not by Washington, as it heeds clamor from discontented patients and decrees that patients' rights will become part of the federal health plan—but by those who have professed to provide good medicine, overcoming not only the ills of the patients, but also the ills of the system. If the perception persists that costs, not care, continue to drive the managed care system, the system will be seriously compromised.

Patient Perceptions

Patients polled between 1995 and 1997 in a survey designed by researchers at the Henry J. Kaiser Family Foundation and Harvard University revealed that 51% of patients believed that their plan decreased the quality of care for sick persons, and 55% believed that their plan might consider cost savings more important than optimal medical care if they became ill.

But, strikingly, the survey also reported that 83% of patients in the study had a “high level of satisfaction” from their most recent physician encounter,

and 80% reported having “positive feelings” about their own physician. In other words, the majority of Americans polled remained largely satisfied with their own healthcare plans.

Where do patients stand on the issue of the gatekeeper? In the July 21, 1999, issue of JAMA, Grumbach and colleagues² found that patients do value their primary care physicians: 82% of patients believed that their physician was well qualified to manage their care, and 82% were satisfied with that care. However, patients polled in the survey did express their need to see a specialist when they believed it necessary. Those patients who expressed negative opinions had experienced difficulty in obtaining referrals to specialists.

Attending to Reasonable Demands

Meeting patients' needs fairly and within reason has been a continued goal of managed care. The California Managed Health Care Improvement Task Force was recently established in response to a managed care backlash in the state. The Task Force found that problems were associated with 42% of consumers.³ However, 83% of patients in group/staff model health maintenance organizations (HMOs), 75% of patients in independent practice association model HMOs, and 74% in preferred provider organizations were satisfied with their plans.

The Task Force was able to determine the root of the backlash. Consumers had refused to accept that unlimited access to care comes with a price and did not fully understand the difference between standard and experimental care. Most important, consumers appeared unwilling to accept less expensive options. Managed care was urged to provide an increased choice of plans for consumers; show greater sensitivity to patients; increase involvement of physicians in ensuring quality care; and become more open in addressing issues such as cutbacks,

Address correspondence to: Jeffrey J. Hennessy, American Medical Publishing, 241 Forsgate Drive, Suite 102, Jamesburg, NJ 08831. E-mail: jeff@ajmc.com.

demands for wage increases, and improvements in productivity among healthcare workers.

Had managed care not responded to the backlash in California, the outcome might have been disastrous. The California experience offers compelling evidence of the need to act proactively instead of reactively to pressure from the media and from the government.

Delivering the Goods

What has managed care been providing all these years, anyway? Improved immunization rates, improved ways to address patient compliance issues, improved preventive services, reduced healthcare costs, and innovative disease management programs—to name a few. The Blue Care Network of Southeast Michigan, a 240,000-member HMO, implemented an internal tracking and reminder system to improve immunization rates among members.⁴ The initiative was so successful that the Network recently earned an award for innovation from the American Association of Health Plans. The Division of Research of the Permanente Medical Group in Oakland, California, recently tested the efficacy and cost effectiveness of letters, automated telephone messages, or both to improve immunization rates among underimmunized children.⁵ Innovations from studies funded by managed care organizations such as this one may help the country reach the national goal of 90% for immunizations by the year 2000.

Services offered by the Department of Preventive Care at the Group Health Cooperative of Puget Sound resulted in a 32% decrease in late-stage breast cancer; an increase to 89% in complete immunizations in 2-year-old children; a decrease in the prevalence of adult smoking over 9 years from 25% to 17%; and an increase in bicycle safety helmet use among children from 4% to 48%, accompanied by a 67% decrease in bicycle-related head injuries in a 5-year period.⁶

Study after study has offered data demonstrating that managed care has provided comparable, and in some cases, superior, healthcare compared with fee-for-service care. The ultimate success of managed care, however, lies not only in its track record, but also in the ability of its leaders to bring

these successes to the attention of the public and to the political forum.

Karen Ignagni, President of the American Association of Health Plans, believes that managed care representatives should take their places on the frontlines: "The leaders of this industry must play a major role in clarifying what consumers should expect from their health plans and why they should trust and have confidence in their health plans. Consumers must know that our healthcare delivery system is better now than it was before managed care." (K. Ignagni, oral communication, September 1999).

It's time for managed care to answer allegations put forth by the media and to enlighten the public, as well as leaders in Washington, about the value that they have brought to healthcare. President Eisenhower once said that, "Neither a wise man nor a brave man lies down on the tracks of history to wait for the train of the future." The train is in motion. If leaders in managed care wait too long, they will have been neither wise nor brave.

Acknowledgment

I am indebted to Sandy Paton for her editorial excellence in creating this article.

—by Jeffrey J. Hennessy
Founding Publisher

...REFERENCES ...

1. Hands-on health care odds-on favorite [The Months Ahead]. *Kiplinger's Personal Finance Magazine*. February 1999:19-20.
2. Grumbach K, Selby JV, Damberg C, et al. Resolving the gatekeeper conundrum: What patients value in primary care and referral to specialists. *JAMA* 1999;282:261-266.
3. Enthoven AC, Singer SJ. The managed care backlash and the Task Force in California. *Health Aff* 1998;17(4):95-110.
4. Van Acker B, McIntosh G, Gudes M. Continuous quality improvement techniques enhance HMO members immunization rates. *J Healthc Qual* 1998;20:36-41.
5. Lieu TA, Capra AM, Makol J, Black SB, Shinefield HR. Effectiveness and cost-effectiveness of letters, automated telephone messages, or both for underimmunized children in a health maintenance organization. *Pediatrics* 1998;101(4):E3.
6. Thompson RS, Taplin SH, McAfee TA, Mandelson MT, Smith AE. Primary and secondary prevention services in clinical practice. Twenty years' experience in development, implementation, and evaluation. *JAMA* 1995;273:1130-1135.