REGIONAL ALLIANCES—WHAT THEY COULD DO!

Under the health bill, almost all Americans must buy basic health coverage through the “regional alliance” where they live. Regional alliances are government-run monopolies that decide which health plans will be offered, collect premiums from employers and residents, and pay most of the premium money to insurers and HMOs...

The alliance limits what we can pay our own doctor. The alliance posts a schedule of doctors’ fees, and it is illegal for doctors to accept more (pages 131, 231–232). The consequences of price controls are predictable.

In Japan, where similar controls are in place, doctors hurry from examining room to examining room, seeing on average 49 patients a day to compensate for low fees and to make ends meet. American doctors will do the same. In the U.S., when Medicare administrators froze physician reimbursement rates a decade ago, doctors compensated by stretching out treatments over several quick visits, to see patients more often. In a last-ditch effort to make Canadian price controls work, Ontario and Quebec put legal limits on physicians’ incomes to eliminate the incentive to see patients more often.


Noted by J.F.L., MD

WHAT IF THERE’S NOT ENOUGH MONEY?

The Health Security Bill spells out the troubling answer. A National Health Board—seven people appointed by the president—will decide how much the nation can spend on health care each year. Based on that budget, the board puts price caps on premiums to limit the money paid into the health care system (pages 252, 974–977). If medical needs exceed that budget and premium money runs low, the bill requires state governments and insurers to make “automatic, mandatory, nondiscretionary reductions in payments” to doctors, nurses and hospitals are slashed, as the bill requires? New York City hospitals, which operate with only four days’ cash on hand, would experience life-threatening shortages: nurses working without pay, medications withheld because of cost.


Noted by J.F.L., MD
REGIONAL ALLIANCES—WHAT THEY COULD DO

J. F. L.

Pediatrics 1994;93:A38

Updated Information & Services
including high resolution figures, can be found at:
/content/93/2/A38.1

Permissions & Licensing
Information about reproducing this article in parts (figures, tables)
or in its entirety can be found online at:
/site/misc/Permissions.xhtml

Reprints
Information about ordering reprints can be found online:
/site/misc/reprints.xhtml
REGIONAL ALLIANCES—WHAT THEY COULD DO

J. F. L.

Pediatrics 1994;93;A38

The online version of this article, along with updated information and services, is located on the World Wide Web at:
/content/93/2/A38.1