

JAAPA letters to the editor, December 2009

Pending health care reform bills are addressing costs

To the Editor:

I write to offer a comment on the editorial, "The challenging economics of US health care reform," by Michael Halasy, which was published in the November issue of *JAAPA*. In the editorial he states, "The health care reform bills currently being considered by Congress do not fully address costs; more importantly, they do not address the annual increases in costs. They are focused more on the issue of expanding coverage."

I'm not sure that is an entirely accurate statement. In most of the bills under consideration, the central premise is the need to control health care costs. It is clearly understood that health care costs cannot be controlled or their growth slowed unless substantial changes in the insurance and reimbursement payment system are made. Many leaders in the administration and Congress have characterized the rise in health care costs as "unsustainable," and that is precisely the reason for the various proposals under consideration.

Mr. Halasy's narrow observation that annual health care costs are rising at alarming levels is true enough, but he leaves the impression that the current bills do not sufficiently address costs. He seems to not understand the broader notion that they do aim to address costs in a very fundamental way.

James F. Cawley, MPH, PA-C
Professor and Vice Chair, Department of Prevention and Community Health,
School of Public Health and Health Services
Director, PA/MPH Program, School of Medicine and Health Sciences
The George Washington University

Author's reply:

I would like to thank Mr. Cawley for his comments. I am quite aware of Congress' intent; however, most of its proposals fall far short of containing costs in any meaningful manner. Additionally, the Congressional Budget Office (CBO) has scored the most recent house proposal (HR 3962) as saving \$109 billion over the next 10 years.

However, at a growth rate of 6.2% and annual spending of at least \$850 billion (\$847.3 billion in 2005, according to the CBO), we will see a growth of \$52 billion initially, which will only compound as the total grows. This means, even if it remains static (which it won't), we will see a growth of \$695.5 billion over 10 years. And that is based on 2005 spending. Contrast that with a savings of only \$109 billion, you still have at least \$586.5 billion in health care spending growth.

Additionally, in a letter to Congress on November 19 regarding the economic effects of passing both HR 3961 and HR 3962, the CBO stated that this would cause an increase in federal deficit spending of \$89 billion over the next 10 years.

I agree with Mr. Cawley that the intent is certainly there; however, I, for one, do not believe that it will engender real cost savings in its current forms. The numbers simply don't back up Congress' assertions. I also believe firmly, that Congress is not capable of making the real choices and enacting the real changes that are needed to truly reduce costs.

Michael Halasy, MS, PA-C
Assistant Supervisor PA/NP Group
Department of Emergency Medicine, Mayo Clinic
Rochester, Minnesota