A medical crisis awaits

By J. Ross Vanhooser, M.D.

The U.S. Senate recently voted to proceed with another 10.6 percent cut in Medicare reimbursements to physicians, effective July 1. In my practice, this falls just after a 9 percent cut in 2007. The current cuts will be compounded by an additional 2.1 percent cut as a temporary geographic payment adjustment for physicians in Oklahoma will also expire and be added to the 10.6 percent.

An additional 5 percent cut is slated to take effect in 2009 with a total of 40 percent cut beginning July 2008 and evolving through 2016. Oklahoma has an above-national-average proportion of Medicare patients and a below-average ratio of practicing physicians to Medicare beneficiaries. Forty-six percent of Oklahoma’s practicing physicians are older than 50. In my local hospital, 62 percent are over 50 and 43 percent are older than 55.

In my community we have excellent medical facilities and talented, caring physicians. We have for many years struggled to recruit and retain additional physicians to replace those who retire, move or are deceased. In my practice, we are paid Medicare rates for almost 75 percent of what we do and a low multiple of Medicare rates by private insurance for the large part of the other 25 percent. The cost of doing “the business” of patient care, of paying employees, billing companies, benefits, health insurance and malpractice insurance are all increasing for us, just like any other employer, and yet instead of seeing adjustments for the cost of living, our government goes to the least effective method of budget reduction, choosing to cut the physician payments.

For now, and most fortunate for the patients, we continue to go to work. We go forward making less go further. We cannot be silent about this. The problem lies in the near future. With additional payment reductions and the compounding factor of a lack of lawsuit reform, we will not be able to keep our aging physicians working when many are already considering reducing their patient care activities. Younger physicians will not come to rural centers when the pay is even lower than in urban centers, the patient care hours longer and the on-call hours even more unreasonable. Even as an alternative, large hospital chains with rural facilities can only employ so many doctors before even they will see the need to cut costs and close doors.

The simple fact is that we are slowly losing the battle for our aging patient population. Overwhelming regulation, paperwork, governmental intrusion, the lack of lawsuit reform and now another round of unreasonable payment cuts are driving doctors out of medicine and discouraging our young people from entering the field. Most of the patients I talk to don’t really want to drive two hours to get their health care, and in America most are not willing to wait in line to get urgently needed procedures. Get ready, citizens.

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