Consumer-Driven Health Care

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Consumer-Driven Health Care - I will play the Devil’s advocate for this discussion. I am pessimistic in consumer-driven health care. Too little, too late to make a qualitative difference and for the remainder of this decade, I do not foresee much tangible progress to change. As Dr. Jeffrey Kang stated in Unlocking the Mystery of Health Care Pricing as to the reason Cigna does not plan to provide pricing information for certain physicians; “The answer is ‘no,’ because it’s not meaningful” (Clark, 2006). Kang further states, “People want information that’s quick, easy, and digestible (Clark, 2006).” I believe that which Kang is actually saying is that the physicians who are not cost-efficient have pricing that is not palatable for consumers.

To make this point I will incorporate several examples including, high-deductible health plans, flexible spending accounts, and CMS.

High-deductible health plans: High-deductible plans cost less for employees and the employer. If the employee does not get sick, the plan is enticing. Even if the employee has a catastrophic event, the employee is limited on out of pocket expenses. However, for many employees who fall in the middle and may live payday-to-payday this is a cause for concern.

Flexible spending accounts: Flexible spending accounts were designed to reimburse employees for qualified medical expenses. Employees and employers are able to contribute pre-tax dollars. Where this program falls short is “use it or lose it.” If an employee contributes more than what qualifies, the employee will lose that amount contributed.

CMS: My hope is that CMS and Medicare value-based purchasing will deceive none. CMS has valiantly misled the American People that it is a champion for health care consumers. The changes that Medicare is undergoing are designed in such a way to reduce its spending by linking consumer benefits to the payout that an organization receives from Medicare. However, this is misleading and a farce. The effects of Medicare value-based purchasing will not be consumer-driven instead will be survival driven. We must realize that no organization can remain in business if the benefit does not, at least equal the cost, especially when many billions of tax-dollars are at stake.

Conclusion: As I have stated, I am pessimistic that consumer-driven health care can exist in today’s environment or even within the next five to eight years. I realize that there are companies attempting to make health care more transparent by providing price lists for procedures and physicians. I agree this is a noble gesture, yet I believe that this too will be too little, too late. Furthermore, I believe that CMS will have a detrimental effect on Medicare recipients by losing not only individual physicians who will no longer accept Medicare, but also the organizations such as the Mayo Clinic who turned their organization away from accepting Medicare as a form of payment.

Reference