

Sending patients their health bills is bad medicine

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By Dr. Gordon Guyatt

If you are one of the rare individuals who enjoys receiving bills, you are in for a treat. Soon, courtesy of the Ontario government, you'll receive a new variety of bill.

The bills will tell you about your doctors visits and trips to the hospital, and the cost of those visits. You won't have to pay the bills you've already paid in your taxes.

So, what's the point? The new Tory policy has two objectives. First, the government is hoping to catch cheating doctors. Estimates suggest that doctors OHIP fraud may cost up to \$650 million. If we could reduce doctors cheating substantially, the savings could be large.

But think about what would be required for the policy to work. To start with, we would all have to look carefully over each of those bills, none of which require payment. Next, we would have to be confident of our memories. "Was it really just a month ago I saw the doctor?" Finally, if we noticed something wrong, we would have to tattle on our physicians.

How likely is it that many Ontario citizens will jump all three of these hurdles? Not likely.

What about the second objective? Health Minister Tony Clement thinks we'll be shocked at the size of those bills. Conscience-stricken at how much we are costing our fellow tax-payers, we will hesitate before indulging in our next doctors visit.

That outcome is even more improbable. It is a rare citizen who hasn't realized that health care is expensive. In fact, if you have listened to the Harris/Clement rhetoric over the last months, you have been frightened into believing that out of control spending is making public health care unaffordable.

As it turns out, after taking inflation in to account, we are spending less real dollars on health care per citizen than we were a decade ago.

Moreover, Canadian health care spending per citizen is only half of what the U.S. spends per person.

One of the reasons we've been so successful at controlling health care costs is that we have a single payer the government for physician and hospital services. This makes us extraordinarily efficient. It also highlights one of the dangers of the Conservative patient billing plan.

In the U.S., the multiple payers for health services include the government, health maintenance organizations, insurance companies, and individual patients. Doctors and hospitals must keep track of every service, and submit the appropriate bills.

In Canada, hospitals receive global budgets. As a result, hospitals don't bill at all for health services. Ontario doctors submit a single computer disc to the single payer, OHIP.

The result is that a 900 bed tertiary care referral centre in Canada has three clerks in its billing department. An American hospital of the same size, offering the same services, employs up to 250 people in the billing department.

Canadian primary care physicians each employ a clerk for a few hours a week to take of their billing. An American physician may require two full time people to handle billing.

Because of its efficiency, administering public health insurance in Canada consumes only 1.2% of health care costs compared to 5.1% in the US. If one totals all administrative costs, including the administrative costs of health insurance companies and private health care delivery, Canada spends approximately 11% of its health care dollar on administration. The Americans spend 24%.

Now, however, the Harris government is planning to increase our systems administrative cost with patient billing. Millions of bills must be assembled and mailed to individual patients. The tens of millions of dollars that this will cost could be spent on patient care.

The government would argue that what they save in preventing OHIP fraud will more than compensate for the increased administrative costs.

Previous experience suggests they are wrong. Alberta, in the 1970s and 1980s, tried the same sort of direct billing the Ontario Tories are planning.

As it turned out, the bills irritated the public. People felt the government was trying to make them feel guilty about using medicare.

Furthermore, less than 1 per cent of recipients questioned the services described and less than 10% of such inquiries resulted in the identification of inappropriate billing practices by Alberta practitioners. In other words, the yield was less than 0.1%. In 1988, the Alberta government concluded the results didn't justify the expense and abandoned the practice.

Which brings me to my advice for Mr. Clement. Evidence-based medicine has taught us that theories about how medical treatments should work are often wrong. We need experiments to know what really works.

The same principle holds for health policy. The billing experiment has been tried once, and failed.

Perhaps Mr. Clement believes that, for some reason, the process would work differently in Ontario. If so, he should start with a survey. How many people would be willing to review their health bills, check against their memories, and contact OHIP if they suspect their doctor is cheating?

If Mr. Clement didn't trust peoples guess about what they would do, he could begin with a pilot project. Test out the plan on a sample of Ontario citizens, and see if people really do report their doctors, or decrease their use of health services.

If the pilot study proved him correct, he could go ahead. But if I'm right, he would find out, and avoid the waste of millions of dollars in administrative costs.

I don't expect Mr. Clement to take my advice. I'm nervous that the reason is that he has another agenda. Perhaps Mr. Clement would like to prepare the health system, and Ontario citizens, for the day when we receive bills that we really do have to pay.

When that day comes, it will bring US-style administrative waste, and US-style two tiered health care. Next to that, the Tory plan to toss away a few tens of millions dollars on administrative costs of billing patients sounds like a good deal.