Chicago hospital emergency rooms strained by uninsured patients, budget cuts

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The economic downturn has further diminished the threadbare US public health care system. In urban centers like Chicago, Illinois, budget cuts and rising numbers of uninsured patients are straining public clinics and emergency rooms.

Chicago's Cook County is home to three major hospitals and sixteen public health clinics. At John H. Stroger Hospital, the county's largest public hospital, approximately 10,000 people visit the emergency room each month. Understaffed and overused, emergency room waits at Stroger range anywhere from the typical 10 hours to over 30 hours.

Many emergency room patients have no health insurance, and have no other option than to use the hospital emergency services as their last or only resort. With double digit unemployment swelling the ranks of the uninsured, hospital staffs are being overwhelmed with patients, including many suffering from chronic or non-life-threatening conditions, who do not have a regular physician or the means to pay for care.

At the same time, state budgets are ridden with deficits as revenue declines. This ultimately translates into cuts to health care, among other services. Indeed, the American Hospital Association reported last month that the economic crisis has caused one in five hospitals to reduce services.

The crisis will deepen and persist, as President Obama refuses to extend substantive federal aid to the states, and both the Democrats and Republicans at all levels of government refuse to seek additional revenue through any progressive means, i.e., taxing the wealthy.

Last year Cook County Board President Todd Stroger put in place a 1 percent sales tax hike that brought the rate up to 10.25 percent—the highest in the nation. Over the summer, the Cook County Board reduced the county's share of the sales tax from 1.75 percent to 1.25 percent. The resulting drop in revenue created a $75 million deficit in the county's health care budget.

In response, the Cook County hospital system has cut 900 positions over the past year. Although many were vacant at the time, about 350 workers were laid off. Despite these moves, the shortfall has not been overcome and will require further layoffs and service cuts to the already stressed system. Plans are already in place to eliminate another 450 positions in the coming year.

Chicago has proved a testing ground for many of the Obama administration's policies. Just as Education Secretary Arne Duncan is now overseeing the spread of charter schools and the shuttering of under-performing schools across the nation, with no less devastating an outcome than when he carried out the same policies as CEO of the Chicago Public Schools, so too Obama's legacy in Chicago with respect to health care belies whatever progressive coloring he attempts to give "health care reform."

As a vice president for the University of Chicago Medical Center—a position that paid a lucrative $317,000 a year—First Lady Michelle Obama was instrumental in the founding of the South Side Health Collaborative in 2005 that later spawned the broader, more controversial Urban Health Initiative (UHI). The initiative was started to address the rising costs of the University of Chicago Emergency Department by educating patients on, and directing them to, other facilities.

At the behest of Michelle Obama, her long-time friend and general counsel at the medical center, Susan Sher, and then medical center chairwoman—and now Obama adviser—Valerie Jarrett, the University of Chicago (UC) hired ASK Public Strategies in 2006 to publicly sell the program. ASK is co-owned by David Axelrod, chief strategist for Barack Obama's presidential campaign and now a top political adviser to the White House.

The UHI is now headed by the medical center's executive vice president Dr. Eric Whitaker, who also happens to be among Obama's best friends.

In February of this year the UC medical center embarked on a more aggressive restructuring initiative in an effort to shave $100 million from its budget. In addition to laying off 450 workers, or 5 percent of its staff, the hospital changed its emergency room admission policy in order to cut its number of in-patient beds. Patients would henceforth be evaluated prior to treatment to determine if the UC hospital was an appropriate place for them to receive that treatment. If it was not, the patient was directed to one of the local health clinics on the South Side or to either one of two community hospitals.

The UC estimated that 40 percent of its 80,000 annual emergency room admissions were not necessary, and thus cost the hospital tens of millions of dollars each year in misdirected resources. Such statistics only underscore the inadequacy of the nation's health care system, where growing numbers of the uninsured are forced to seek medical care through one of the few guaranteed avenues open to them, the emergency room.

The UC retreated somewhat after a series of articles in the *Chicago Tribune* detailing the hospital's plans caused a public outcry. The publicity surrounding the UC plan notwithstanding, similar efforts to restrict emergency room access and care to the uninsured have been documented in every region of the country, particularly in Texas, Florida, and the western states.

In Chicago, the policies pursued by UC are widespread. A *Tribune* report in April described the emergency room at Stroger as not only swamped with the area's patients, but also patients directed there from other hospitals. Some of these arrivals came bearing discharge slips, prescriptions, and even Google maps from non-profit hospitals.

While nearly half of the county hospital system's revenue is derived from taxpayers, non-profit hospitals receive millions of dollars in tax breaks in exchange for their treatment of the uninsured. However, as the *Chicago Tribune* reported, non-profit hospitals in Cook County dedicated only 2 percent of their total revenue to charity care in 2007.

In fact, Chicago's largest hospital operators—all of which are nonprofit—are currently engaged in unprecedented expansions. These expansions are paving the way for a consolidation of medical services, as many smaller community hospitals are being forced to join larger health care systems.

According to the *Tribune,* Chicago's Advocate Health Care has by itself seen a more than 30 percent increase in revenue since the start of the year. It is currently acquiring hospitals throughout the state and spending tens of millions of dollars on facility expansions.

A similar program to the one pursued by the UC has been in place for over a year by Resurrection Health Care, which runs eight hospitals in Cook County. While Resurrection claims that patients' ability to pay does not factor into their decision to press referral to another facility, at their West Suburban Medical Center in the suburb of Oak Park more than 70 percent of all such referrals have been uninsured or on Medicare.

The primary motivation behind such initiatives is cost-cutting by the major hospital chains and medical interests at the expense of the general public. This motivation has been carried by the Obamas and their inner circle from Chicago to the White House. Despite the rhetoric surrounding the health care overhaul about "eliminating waste and inefficiency," the basic plan is to permanently reduce the quantity and quality of health care consumed by the working public.

According to William Foley, the chief executive of Cook County's Health and Hospitals System, "There isn't any fat." Indeed, the closure of a half-dozen clinics in the county in 2007 resulted in a 20 percent decrease in clinic visits. Any further cuts cannot fail to have a similar effect—precisely the one desired by the Obama Administration.