

## A talk by health care critic Dr. Richard Cooper in Detroit

# Poverty and health care in America: the unavoidable facts

Joanne Laurier, David Walsh  
30 March 2010

The official political spectrum in the US has shifted far to the right in recent decades. Ideas on social policy considered beyond the pale 40 years ago, the property of the right-wing “fringe,” have gained legitimacy. Positions that found support within the liberal consensus in both major parties in the 1960s and 1970s have been largely marginalized or excluded.

One of the “outdated” notions as far as establishment circles in the US are concerned today is that “poverty matters.” Those critics who argue that economic conditions and inequality have to be taken into account in any discussion of major social questions come under fierce attack from the media and a variety of vested interests.

One such critic in the field of health care is Dr. Richard Cooper, professor of medicine and senior fellow at the Leonard Davis Institute of Health Economics, the University of Pennsylvania. Dr. Cooper is a persistent opponent of the Dartmouth Atlas of Health Care, whose assumptions and findings have played an influential role in the debate over health care “reform.”

The essential argument of the Dartmouth studies is that there is little or no evidence that “extra spending gets us anything in terms of reduced mortality rates or higher quality” (Peter Orszag, a supporter of the Dartmouth group and currently Barack Obama’s budget director). This reasoning then forms part of the argument for cost-cutting, the rationalizing of health care, all in the supposed interest of eliminating waste and the increasing inefficiency. The reactionary political and social agenda—the reduction of health care for the working class and the poor, the defense of the health insurance and pharmaceutical industry—remains hidden.

All the blather, which now is almost a daily feature of the *New York Times* and other media outlets, about “over-treatment” and “over-testing,” serves this retrograde agenda. The working population is being told *it* must tighten *its* health care belt, while the wealthy intend to carry on being treated and tested to whatever extent their incomes permit. To be blunt, the result of these policies will be more illness and death, an even worse state of health for wide layers of the populations, already under assault in every aspect of their lives.

Dr. Cooper effectively dismantled the arguments of the Dartmouth Atlas group and their co-thinkers before an attentive audience of health care professionals and medical students in Detroit last Friday night, in a talk entitled “Healthcare and the

Affluence-Poverty Nexus.” The address was the Eighteenth Annual Francis P. Rhoades, MD Memorial Lecture, sponsored by the Wayne County Medical Society Foundation.

Dr. Cooper’s credentials are serious ones. A graduate of Washington University School of Medicine, he received his training in internal medicine, hematology and oncology at the Harvard Medical Unit of the Boston City Hospital and the National Cancer Institute. After two years on the faculty of the Harvard Medical School, Dr. Cooper became chief of the Hematology Section in the Department of Medicine of the University of Pennsylvania and subsequently director of its cancer center, positions he held for 14 years. He moved to the Medical College of Wisconsin in Milwaukee in 1985, where he served as executive vice president and dean for 9 years and as the director of the Medical College’s Health Policy Institute for an additional 11 years. In 2005, he returned to the University of Pennsylvania and assumed his current position.

Beginning his talk March 26, Dr. Cooper paid tribute to those in his Detroit audience whom he described as being on the front lines of “the war we’re fighting” over health care reform. “I think Detroit is the cauldron of the problem...emblematic of what this country has to deal with.” He addressed the medical students in attendance directly, arguing they had an “obligation to embrace the broader problems of our entire society.”

In the course of a slide-show presentation, Cooper debunked several myths spread by the advocates of rationalizing health care: (1) that variation in health care utilization among different regions is due to the supposed “over-use” of services; (2) that variations in care among academic medical centers are indicators of “waste and inefficiency”; (3) that if the US could reduce spending everywhere to the level of its lowest-spending regions, 30 percent of health care costs could be saved.

Dr. Cooper showed that time and time again, shabby research and statistical methodology had been used to bolster the claim that geographical variations in health care costs bore no relation to economic and social differences.

For example, one study found that hospitals in Milwaukee, Wisconsin, had a 30 percent “excess utilization” over the other hospital referral regions (HRRs) in Wisconsin, although per capita income in Milwaukee as a whole is 108 percent of the national average. The obvious implication of such a study is that

Milwaukee hospitals must be squandering resources and their funding should be reduced.

Cooper demonstrated, however, that when the “poverty corridor” in Milwaukee and the surrounding area was identified, with a heavily working class and minority population, all the statistical anomalies disappeared. Milwaukee minus the “poverty corridor” had the same rate of hospital utilization as the rest of the state, while *within* that corridor, “preventable” hospital admissions for diabetes, asthma, chronic obstructive pulmonary disease and congestive heart failure, for example, were six times higher than in the wealthiest zones.

Going over the facts of a study done on hospitals in Los Angeles, with its vast population, Cooper insisted that the same trends emerged as in Milwaukee. The poorest sections of the population spent four times as many days in hospital as the wealthiest. He estimated that if every resident of Los Angeles had an income of \$100,000, there would be a 36 percent decline in health care costs.

Dr. Cooper argued that studies conducted in distinct parts of the country consistently demonstrated that the “incremental cost of poverty” in health care was about 30-35 percent.

The stated policy of the Obama White House and the advocates of Dartmouth-style “health care reform” is essentially to reduce funding for those regions and institutions that spend more—i.e., it is a policy aimed at further punishing the poor. Cooper pointed out that there are “going to be penalties of 3-5 percent for hospitals for excess readmissions. The majority of readmissions are readmissions of people over whom we have very little control as either hospitals or physicians.”

Cooper excoriated in particular the role played by the *New York Times*, its columnist Paul Krugman, the *New England Journal of Medicine* and other respectable outlets for “setting the stage for health care reform on the Dartmouth principle. They’ve never backed away from it; Krugman has not, the *New York Times* has not and Peter Orszag certainly has not.”

As Cooper noted at one point in his talk, the argument goes like this: “If we can make the high-cost areas look like the low-cost areas, we’ll save \$700 billion; this was repeated in the *New York Times*, it was accepted by countless economists and political writers.... The money was there, it was in those dark [high-cost] areas. If they could get the money from areas like Detroit because we’re so nefariously doing the wrong thing, we could save the nation.”

During the question-and-answer period, Cooper spoke bluntly about the proponents of rationalizing and cutting health care. “The Dartmouth group is a business. A Madison Avenue public relations company. This is Coca-Cola.... Who would ever think of using the word ‘efficiency’ to describe fewer doctor visits. Why are fewer doctor visits ‘efficient’?”

One audience member pointed out that nearly 60 percent of the population in Detroit were either uninsured or underinsured. Was the problem poverty alone, or the lack of resources, including the loss of population and the loss of doctors?

Cooper responded: “It’s not simply about being poor. It’s being poor in an environment with a lack of health care, housing, education and all of that. Income inequality is at the heart of what we are talking about. But, poor matters! Don’t lose sight of the

primordial truth, and that is that being poor really matters.”

In a discussion prior to the lecture, we had mentioned to Dr. Cooper the barbaric practice of utility shutoffs in Detroit and other cities. He was shocked by that reality. In his response to a question, he took note of the problem last winter “about the heat being turned off to poor people. Quite frankly, not only did I not think of it, I never could have imagined it. It was unimaginable to me that that could happen in America. But lots of unimaginable things happen in a poverty ghetto. But it has to be known, it has to be dealt with.”

A WWSW reporter noted during the question period that the material Cooper had presented was unimpeachable, “and yet you find yourself embattled. Step back, if you could, and speak about some of the general trends in the discussion of health care and poverty in the last several decades in this country, for better and worse.”

Dr. Cooper replied, “First of all, what I learned is that nobody wants to talk about it [poverty]. I went to Washington and met with the Black Congressional Caucus, and one member said, ‘Look, we’re being taught by a communications firm how to talk about poverty without talking about poverty, because nobody wants to hear us talk about poverty.’”

“But I talk about it all the time. It’s in my blog all the time. It drives the Dartmouth group crazy. It isn’t for the lack of scholarship on this issue. It isn’t for the lack of perceptiveness. It’s for the lack of ears that are willing to listen and particularly politicians who are ready to respond.”

Cooper noted that any discussion of poverty had essentially left the political arena since the time of Lyndon Johnson and the war on poverty. He told us in a conversation that during the last presidential election, he had done a word search in the speeches of both Republican John McCain and Democrat Barack Obama for “poverty” and come up with virtually nothing. “It’s bipartisan,” he said, as a final word.

*For more information, see [buzcooper.com](http://buzcooper.com).*

*The authors also recommends:*

The Dartmouth Atlas of Health Care study: Shoddy science in support of health care cuts

[2 March 2010]

An interview with Dr. Richard Cooper, critic of the Dartmouth Atlas of Health Care research

[2 March 2010]



To contact the WWSW and the  
Socialist Equality Party visit:

**[wwsw.org/contact](http://wwsw.org/contact)**