

Grand Junction, Colorado and the rationing of health care in the US

Introduction: An attack on health care in the guise of “reform”

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The US ruling elite is determined to cut health care costs at the expense of the population. This was the essential driving force behind President Barack Obama’s health care measure and the relentless (and ongoing) media campaign, spearheaded by the *New York Times*, against “over testing” and the availability of supposedly unaffordable medical procedures to the general public.

While the wealthy will be able to go to the physician and medical facility of their choice and undergo the treatment of their choice, health care for the overwhelming majority is to be rationed, in the name of containing costs. People will die as the result of this effort. Already, large numbers of Americans are opting for inferior health care plans, with high deductibles, which results in fewer visits to doctors and deteriorating health.

One of the principal champions of cutting health care costs over the past several years has been the Dartmouth Atlas of Health Care, which is published by Dartmouth Medical School’s Institute for Health Policy and Clinical Practice. Its faulty science and right-wing ideology have been exposed by numerous scientists and commentators.

Central to the Dartmouth group’s claims is that poverty has no significant impact on health care costs, and that many doctors and hospitals in the US “over-treat” and “over-charge.” As Dr. Richard Cooper, whose newest comment we post today, has explained, Dartmouth’s false claim is “If only health care were ‘more efficient,’ the nation could save 30 percent of health care expenditures, \$700 billion annually.”

Cooper noted earlier in this year’s interview with WSWs, “It’s not simply that the Dartmouth work on geographic differences is methodologically wrong and its conclusions incorrect, nor simply that its policy implications misdirected health care reform. It’s that there is another explanation for the geographic differences, which has to do with differences in the distribution of poverty.”

The small city of Grand Junction, Colorado, has been one of the communities held up by the Dartmouth researchers and their supporters—including Barack Obama—“as a model for the provision of low-cost, high-quality care” [*New England Journal of Medicine*, “Low-Cost Lessons from Grand Junction, Colorado,” September 29, 2010], which the entire nation should emulate.

However, even the NEJM article that hailed the health care situation in Grand Junction, provided some insight into how costs were kept down, by providing incentives to doctors *not* to treat patients:

“In the early 1970s, a group of primary care physicians and specialists founded the physician-run Rocky Mountain Health Plans (‘Rocky’) and the Mesa County Physicians Independent Practice Association (MCPIPA). Family physicians gained substantial control of these organizations and fostered a culture of incentives for cost control and cost transparency. In 2006, Grand Junction had 85% more family doctors per capita than the national average.

“Rocky—which enjoyed a 60% market share, including patients covered by commercial insurance, Medicare, and Medicaid—and MCPIPA began withholding 15% of fees from physicians. Instead of receiving, for example, \$20 for a visit, physicians

would be paid \$17, with \$3 going into a risk pool held by MCPIPA. If health care costs were high, the risk pool would be depleted; if costs were kept low, physicians would receive withheld payments at the end of the year. This system created an incentive to keep costs under control....

“Rocky and MCPIPA created cost profiles of each physician and made them available to all physicians. If a cardiologist, for example, performed twice as many cardiac catheterizations as his or her peers, that physician would be publicly embarrassed—and educated about community norms. If there was no self-correction and the practices did not change, primary care physicians, knowing that high specialist costs meant that they wouldn’t receive their withheld money, stopped referring patients to high-cost specialists. Excessive utilization largely came to a halt.”

Excessive or *appropriate* utilization? It is astounding that these regressive and potentially life-threatening policies should be boasted about in a leading medical journal!

“The end-of-year bonus payments can represent as much as 20 percent of the physicians’ total annual income. ... The bonus pushes the average Mesa County doctor’s annual compensation above the average for most of Colorado--except the Denver metro area,” according to *Kaiser Health News* (August 19, 2010).

The same article observes that not every medical practitioner was impressed. Dr. James Schroeder, a pediatric cardiologist in Grand Junction, wrote a guest column in the *Grand Junction Free Press*, “Die sooner, save money.” Schroeder noted that rationing of health care was already a part of everyday life in the US. “Is your doctor advocating for you, or for the insurance company? Are you being steered away from costlier options due to cost?... The (barely) unspoken message is that you have a duty to die cheaply in order to save money for everybody else,” he wrote.

We are posting two articles related to the health care situation in Grand Junction, Colorado. The first, “Grand Junction: myth and reality in the mountains of Colorado”—by a guest commentator, Dr. Cooper, a professor of medicine at the University of Pennsylvania with a distinguished career behind him—exposes the statistical fraud at work. He demonstrates that the health care costs in Grand Junction are in line with its geographic, economic and ethnic circumstances, and

points to the real and never discussed issue at the heart of the health care debate: poverty.

The second is an interview with a Grand Junction resident, Shanae L., whose experiences may well provide another piece of the health care cost puzzle in the western Colorado community. It raises the question: Are costs being kept down through screening patients, and excluding those with problematic medical histories?

Myth and reality in the mountains of Colorado
Interview with a Grand Junction resident



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