

# **AMERICA'S BROKEN HEALTH CARE SYSTEM:**

***WHEN WE'RE NOT PART OF  
THE SOLUTION, WE'RE PART  
OF THE PROBLEM – Part 2***

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**WHAT KIND OF  
RESPONSIBLE  
STEWARDSHIP WOULD  
“MAKE THINGS BETTER?”**

**THREE (of four)  
SUGGESTIONS**

# 3 (of 4) SUGGESTIONS TO "MAKE THINGS BETTER," *WITHOUT INCURRING NEW COSTS*

- Reduce unnecessary use of expensive technology & drugs

- Re-educate "demanding" patients about true costs of care



- Cut back on defensive medicine

6 in 10 knee replacement surgeries have no clear medical indication.

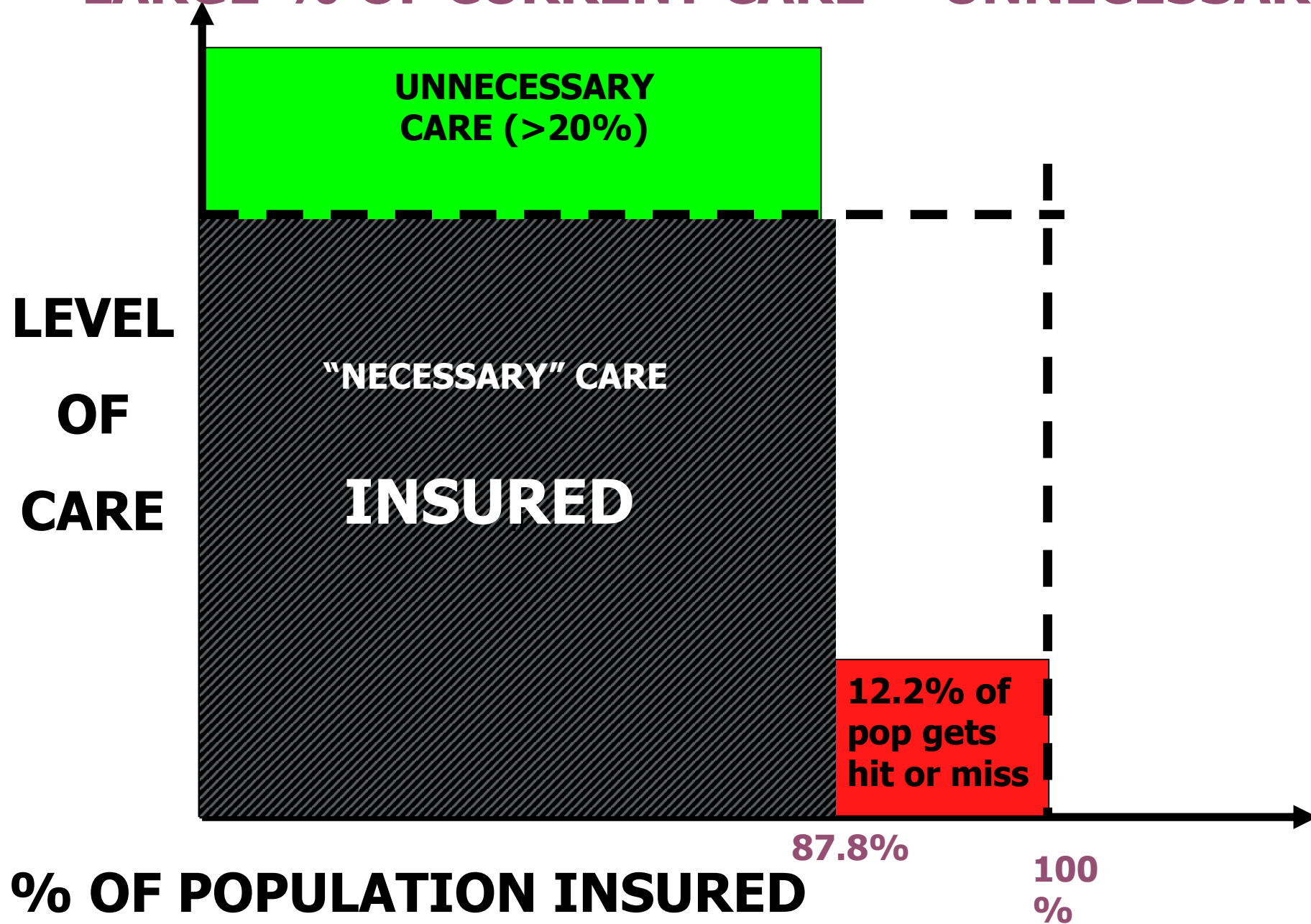


34% are inappropriate.

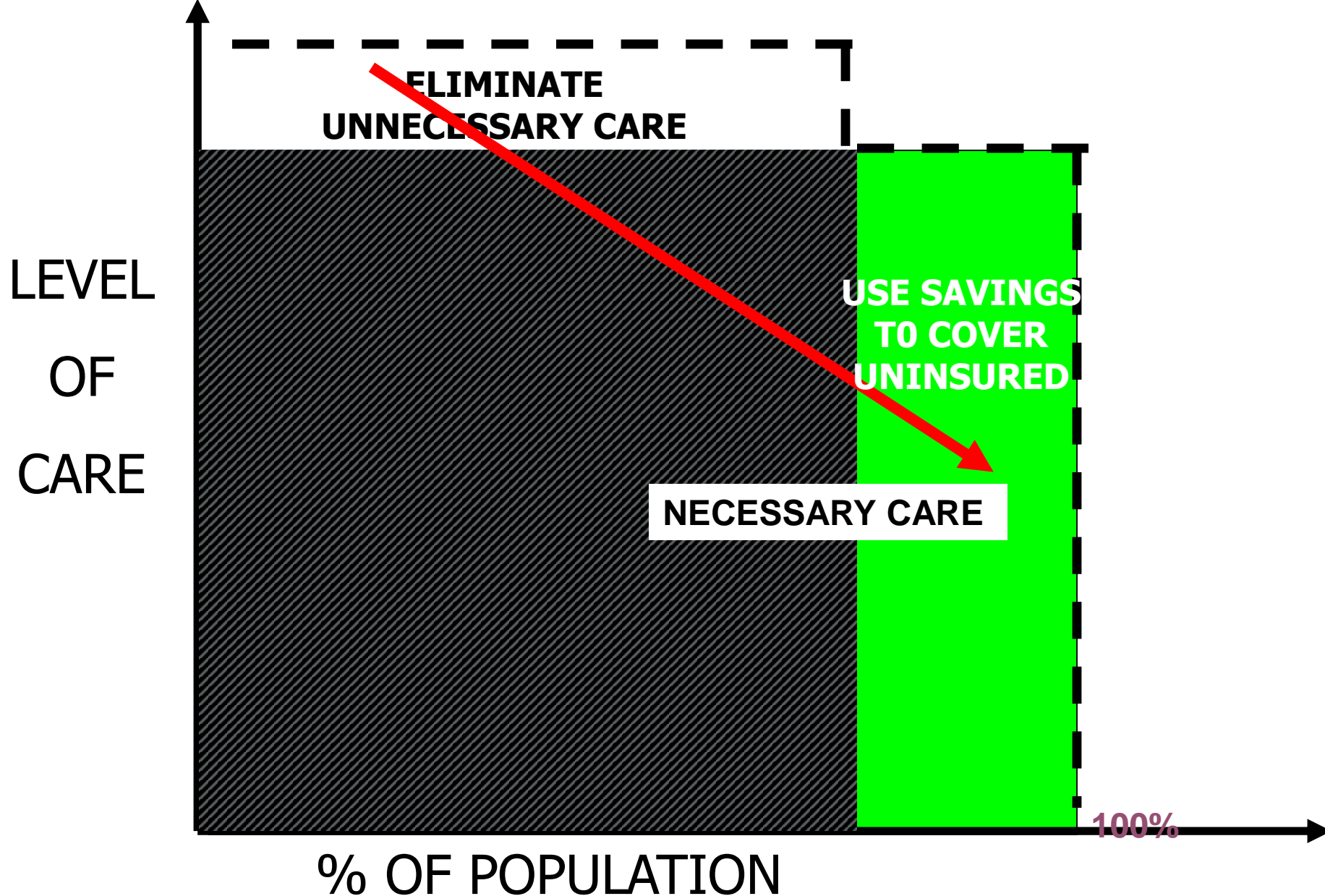


Well, Bob, it looks like a paper cut, but just to be sure let's do lots of tests.

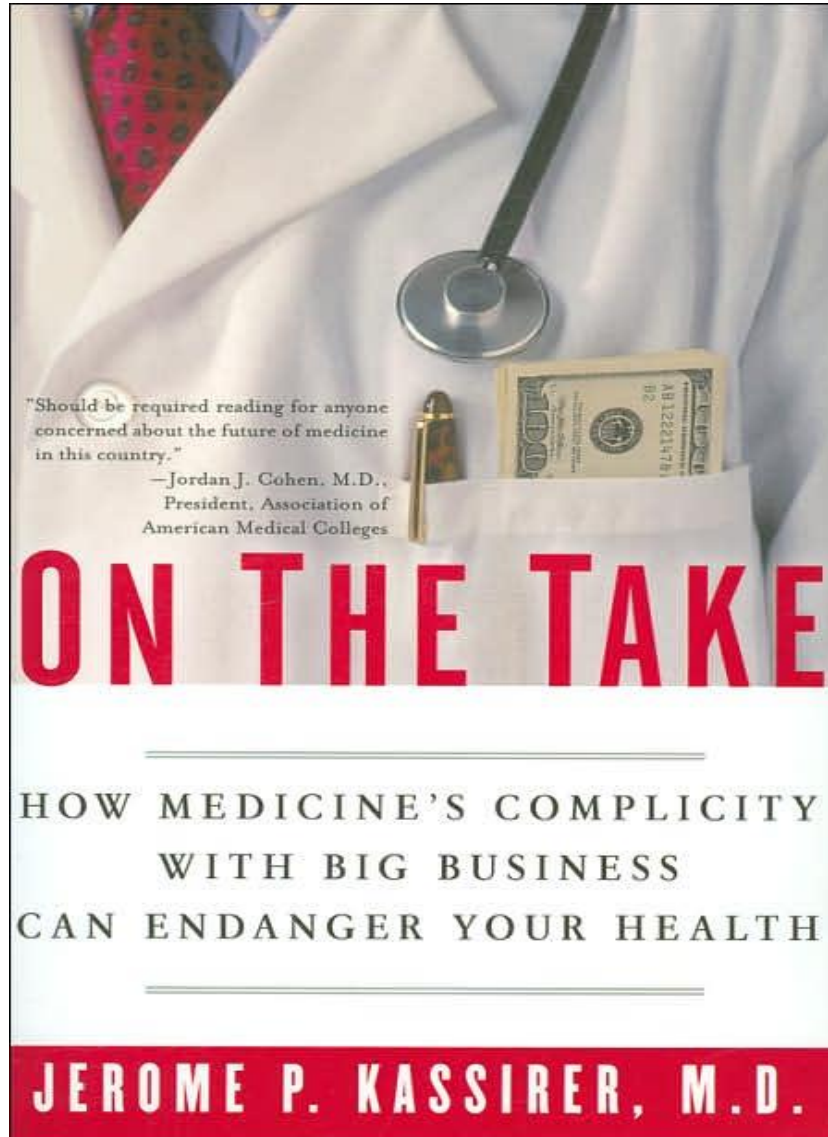
# LARGE % OF CURRENT CARE = UNNECESSARY



# ELIMINATE UNNECESSARY CARE, EXPAND “NECESSARY” COVERAGE WITH SAVINGS



# 1: REDUCE UNNECESSARY USE OF EXPENSIVE TECHNOLOGY



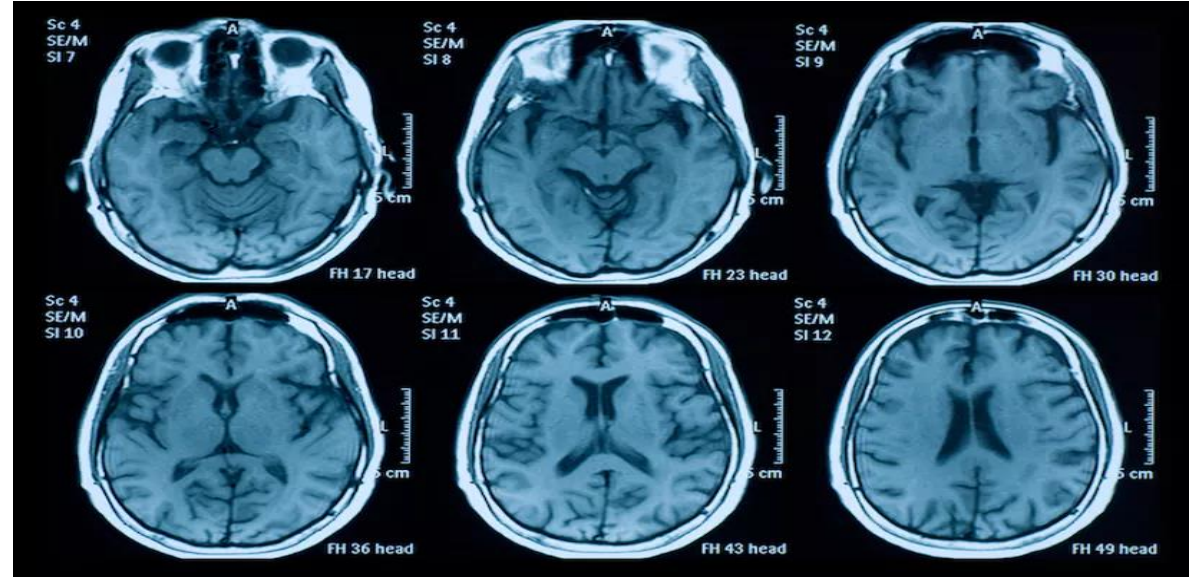
Physicians control approximately 70 % of all health care expenditures, & “big (health care) business” seeks to influence those choices

# Physician Incentives = High Profile Issue

- Technological imperative

Example:

**1 in 3**  
imaging studies may be unnecessary  
Equaling about **\$55 billion** of  
the more than **\$170 billion**  
spent on imaging annually.



- Conflicts of Interest?

- Example: FDA advisory committee membership

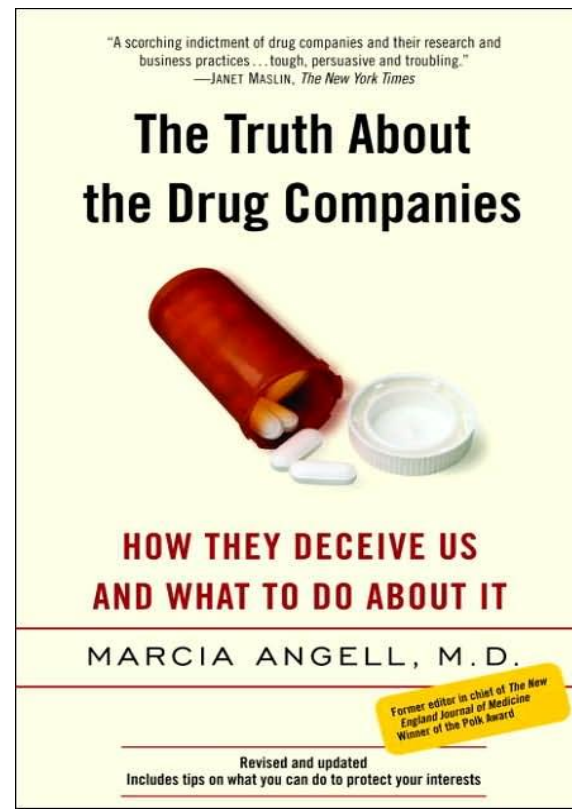


## 2. EDUCATE "DEMANDING" PATIENTS RE TRUE COSTS OF CARE

- **US = land of the "worried well"**
  - **Health insurance insulates patients from costs of health care "demands"**
    - **(80% of patient-initiated Doctor visits are for self-limiting conditions)**



- **Impact of direct-to-consumer Rx drug advertising**

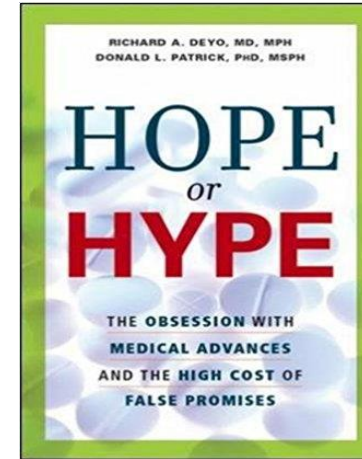




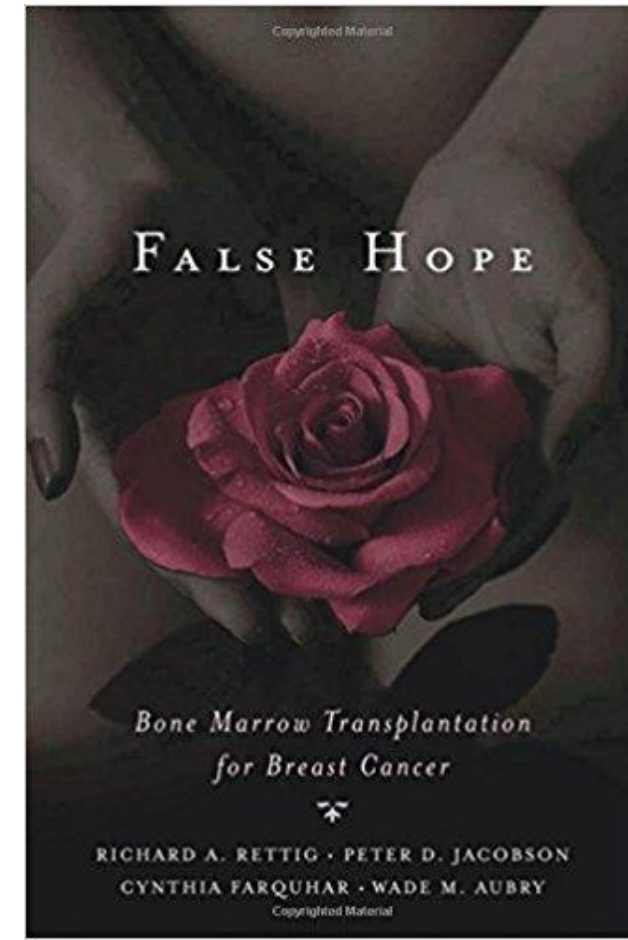


# EDUCATING PATIENTS RE TRUE COSTS OF CARE (cont.)

- **Impact of media hype re “medical breakthroughs”**



- **Today's medical breakthrough often = tomorrow's discarded technology**
  - **Example: autologous bone marrow transplantation for Stage IV breast CA**



## EDUCATING PATIENTS RE TRUE COSTS OF CARE (cont.)

- Patients must learn to connect the dots between “demands” . . .
- & impact on their:
  - Health,
  - Health insurance premiums,
  - Health insurance availability,
  - & Taxes



# 3. CUT BACK ON DEFENSIVE MEDICINE

- 93% of high-risk specialists engage in defensive medicine practices

- Particularly re ordering clinically unnecessary & costly imaging

DEFENSIVE MEDICINE IS REAL



"Still, let's do an x-ray just to be sure."

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 Patients  
For Fair Compensation

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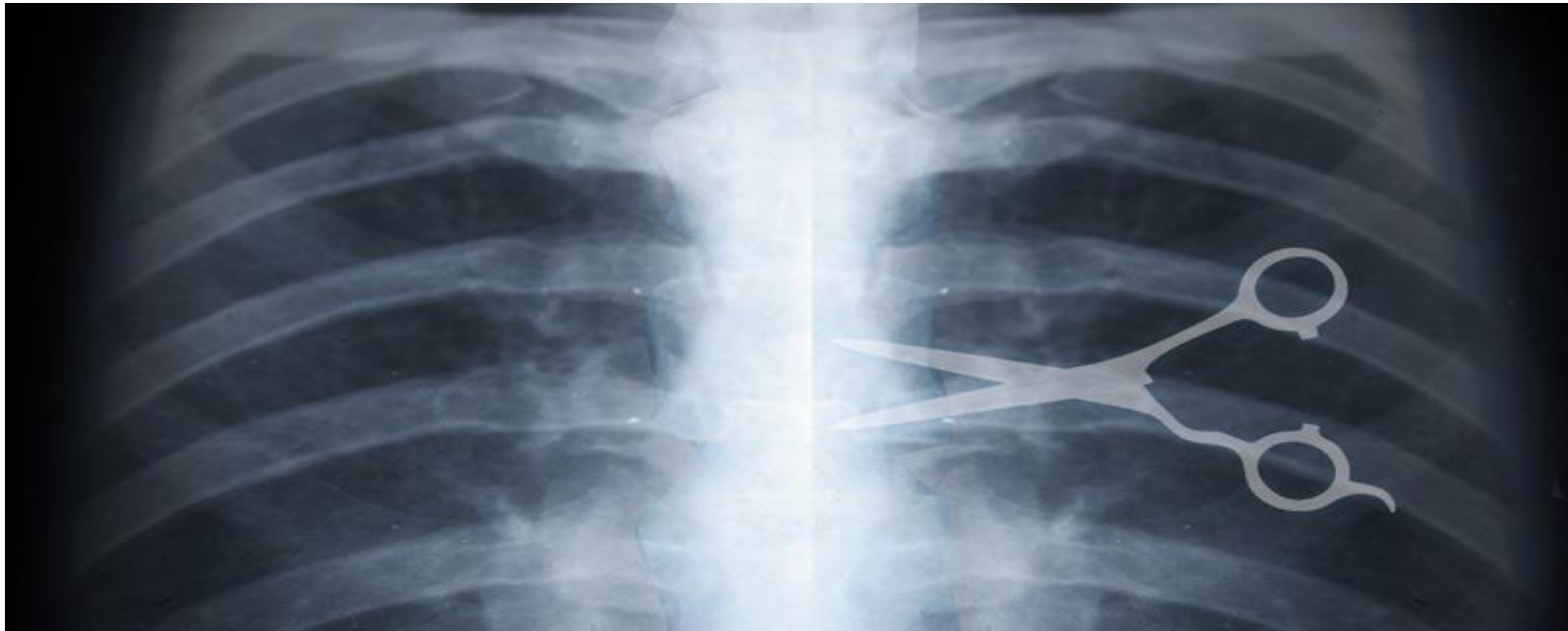
- See *Defensive Medicine Among High-Risk Specialist Physicians in a Volatile Malpractice Environment*, Studdert, Mello, et al. *JAMA*. 2005;293:2609-2617.

# Doctors widely believe they're at risk for malpractice litigation



## • What are the facts?

- Fewer than 1 in every 8 – 10 instances of chart-demonstrated medical negligence ever results in a claim



# MALPRACTICE LITIGATION FACTS (cont.)

- Of claims that *are* filed, *some* compensation is paid in *fewer than half*



- Fewer than 5% of claims go to trial



4/5 of defendant-doctors win at malpractice trials



- Of claims that *do* go to trial, doctors win 4 out of 5



# REGARDLESS OF LITIGATION FACTS:

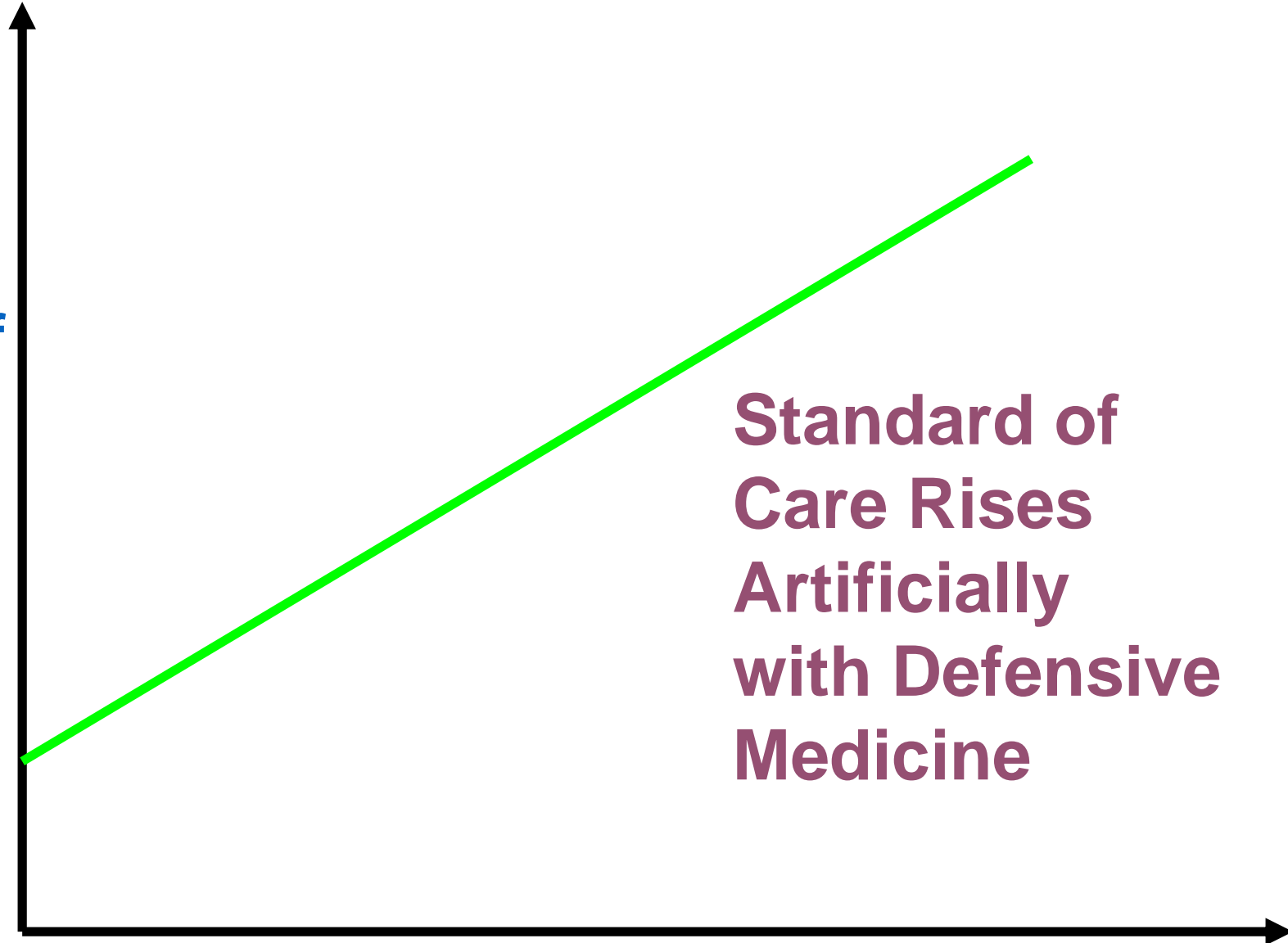
- **Doctors perceive themselves under siege**
  - **Perception becomes its own reality**



- **Result: defensive medicine practices increase**



**Level of  
Care**



**Standard of  
Care Rises  
Artificially  
with Defensive  
Medicine**

**Time**



# GOOD MEDICINE = GOOD LAW

## Medical Standard of Care



"Dr. Krantz referred you to me? I was going to refer you to Dr. Krantz."

"to do what a reasonable physician would do with the **same or similar** patient under the **same or similar** circumstances"

- Doctors (not lawyers) set Std of Care by what they actually do
- Ex: Package Insert Does *not* Establish Std. of Medical Care

S/N 123456789012  
LOT NO VARNISH  
EXP LOT/EXP

Usual Dosage: Read accompanying prescribing literature.

Swallow tablets whole. Do not cut, break, chew, crush, or dissolve.

Attention Dispenser: Accompanying Medication Guide must be provided to the patient upon dispensing.  
NDC 59011-420-10  
**OxyContin**   
(oxycodone hydrochloride) extended-release tablets  
**20mg**  
100 Tablets Rx Only  
Purdue Pharma L.P.

Dispense in a light, light-resistant container.  
Store at 25°C (77°F); excursions permitted between 15°-30°C (59°-86°F).  
U.S. Patent Nos. 6,488,983; 7,199,949; 7,674,799;  
7,674,800; 7,680,079; 6,114,938; 6,204,080;  
6,837,888; 6,887,741; 6,821,929; 6,884,987;  
6,894,988; 6,903,976; and 6,979,983.  
  
3 59011-420-10 0  
Purdue Pharma L.P.  
Stamford, CT 06901-3431  
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- The more doctors practice defensive medicine, the higher they push the std of care (artificially), & the higher costs become.