

# What We're Up Against

Lessons from *On Medicine As Colonialism*

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# Disclosure

+No commercial disclosures.

# With belated thanks to my teachers at Metro

- + Walt Tomford MD
- + James Carter MD
- + Mimi Lamm MD
- + Al Connors MD
- + Maurice Victor MD
- + Ed Chester MD
- + Susan Chester MD
- + Emmanuel Wolinsky, MD
- + Murray Altose MD
- + And my lab partner and co Acting Intern in July 1981 David Eberlein MD

# In memory of H. Jack Geiger MD (CWRU 1958)

- + Co-Founder of the Community Health Center Movement in the United States
  - + 1400 CHCs
  - + 14,000 sites
  - + Providing among the best measured primary care to **30 million** Americans.





# Two key policy challenges we face

- + The US is training *less than half* of the physicians we need. And far fewer nurses than we need.
  - + 25 percent of all US residents and physicians are foreign trained
    - + 21 percent of all residents are international medical graduates
  - + Most US primary care physicians have panel sizes of 1500-2000
    - + When 400-600 is likely most appropriate
- + *Less than half* (43 percent) of the US population has a meaningful primary care relationship
  - + Only **65.7** percent of Medicare beneficiaries had a PCP visit within the last year (2019)

+ [https://www.acgme.org/globalassets/pfassets/publicationsbooks/2021-2022\\_acgme\\_databook\\_document.pdf](https://www.acgme.org/globalassets/pfassets/publicationsbooks/2021-2022_acgme_databook_document.pdf)

+ Fitzgerald M, Gunja MZ, Tikkenen R: Primary Care in High Income Countries: How the US Compares. Commonwealth Fund March 2022

+ Barnett ML et al. Trends in Outpatient Care for Medicare Beneficiaries and Implications for Primary Care, 200-2019. Ann Intern Med 2021 Dec;174(12):1658-1665

# Two key facts

- + The US spent about **\$4.3 trillion in 2021**, 19.7 percent of GDP
- + \$12,900 per person.
- + Increasing an average of 4.9 percent per year, almost twice the average rate of general inflation.
  
- + **\$129** million for every community of 10,000 people
- + The budget for Scituate, RI, population about 10,000, was **\$39.9** million in 2022

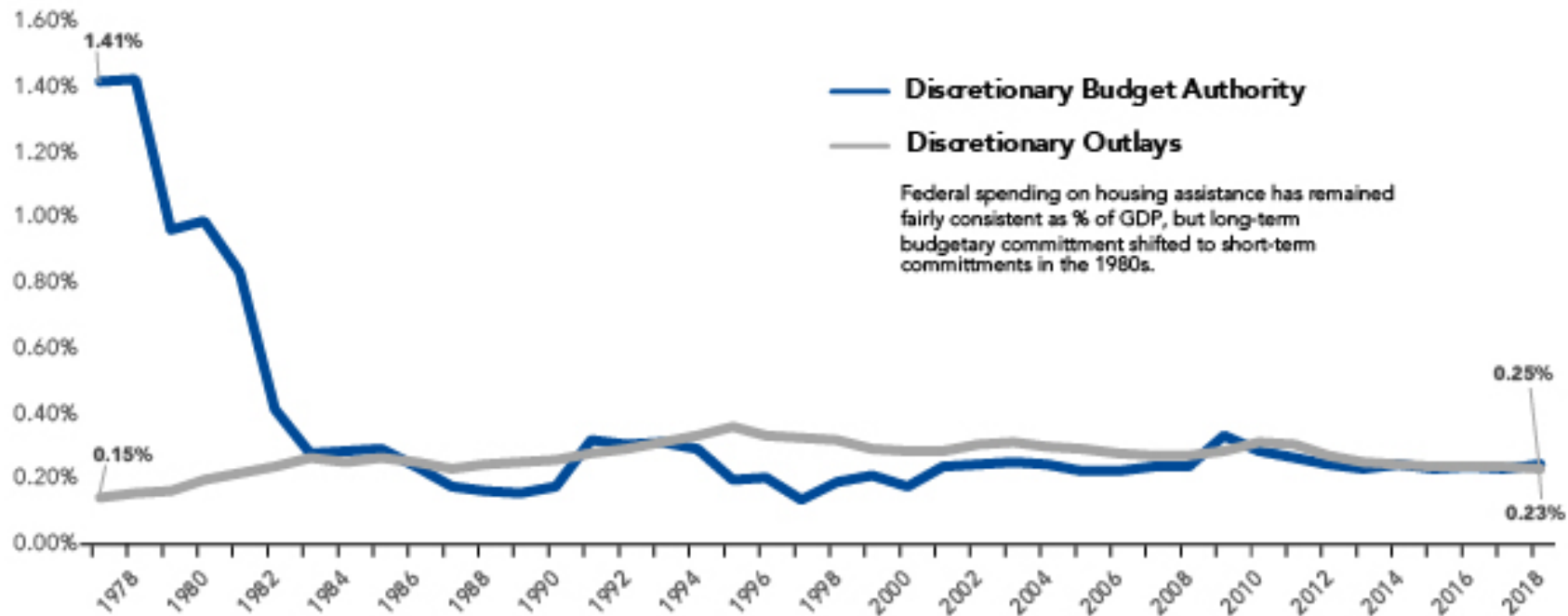
# Two Key Facts

## +2022 Lobbying on Health

Pharma/ health products	\$372,142,974
Hospitals/nursing homes	\$122,657,978
Health Services/HMOs	\$120,857,218
Health Professionals	\$ 94,241,137
total	<b>\$718,942,157</b>

# Why does health care spending matter?

## Housing Assistance Discretionary Budget Authority and Outlays as % of GDP



Note: Housing assistance primarily includes HUD and USDA RD programs.

Source: OMB Historical Tables 5.6 (Budget Authority for Discretionary Programs: 1976 -2024), 8.7 (Outlays for Discretionary Programs: 1962-2024) and 10.1 (Gross Domestic Product and Deflators Used in Historical Tables: 1940-2024).



# A story to start

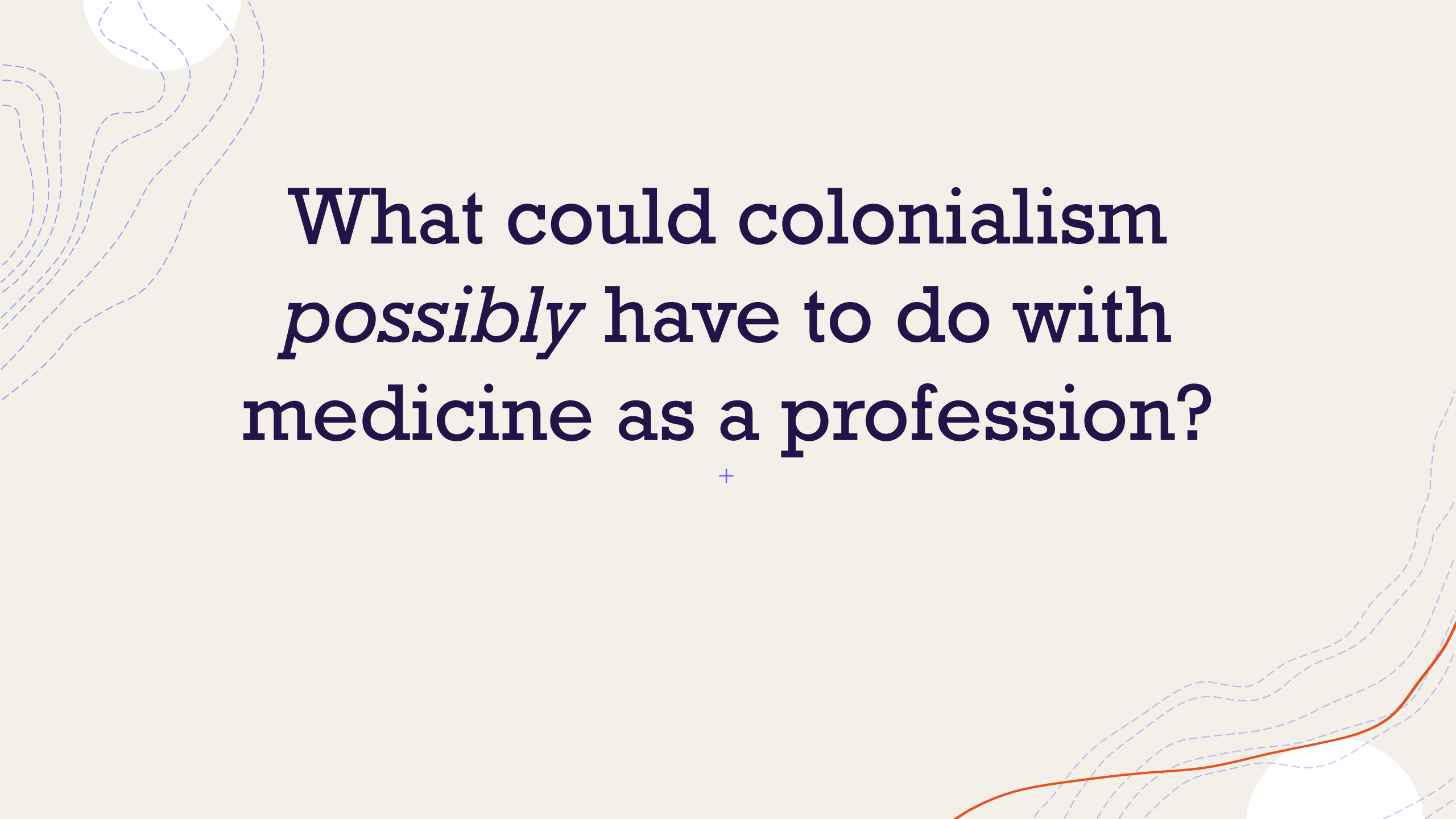
STOP

EXPRESS HEALTH NOW OPEN!

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# What *is* colonialism anyway?

- + Colonialism is the process by which one nation conquers another nation or territory by the force of arms, and used its military might to extract the resources of that nation or territory.
  - + Colonialism is an activity of *nation-states*
  - + Colonialism results in the conquered place losing its agency, its ability to fend for and defend itself, its self-governance and any hope of a democratic society



**What could colonialism  
*possibly* have to do with  
medicine as a profession?**

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**What if  
colonialism  
had  
morphed...**

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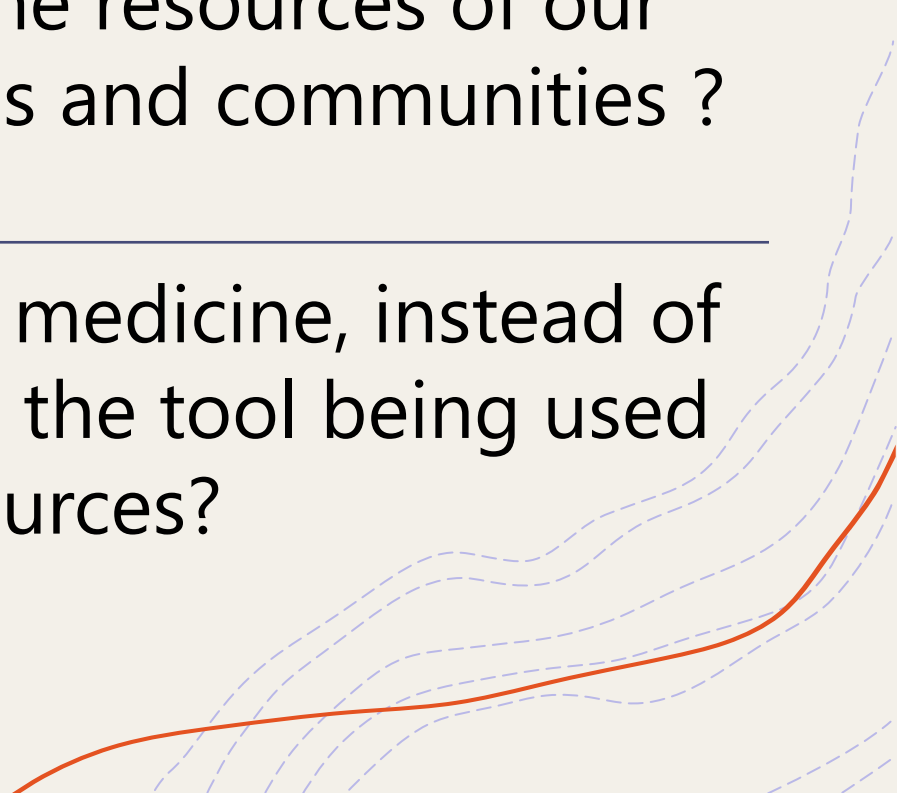
And became a process by which  
the state was being used by people  
seeking profit

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And the object of their attention  
had become the resources of our  
neighborhoods and communities ?

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Finally, what if medicine, instead of  
gunboats, was the tool being used  
to extract resources?





**So I followed the money to test  
that theory**



# What do we learn by following the money?

- + Most health care spending use *government* (or the government regulated health insurance process) as an intermediary, either as a payer or a regulator.

Public Spending on Health Care	
Total US spend on Medicare	\$689 Billion (2021)
Total US spend on Medicaid	\$734 Billion (2021)
Total US spend on Military Health Care	\$ 46 Billion (2021)
Total US spend on VA Healthcare	\$ 98 Billion (2021)
Total US spend on federal employee health insurance -- estimate	\$ 20 Billion (2021)
Total state and local government spend on employee health insurance --estimate	\$140 Billion (2021)
Premium Tax Credits	\$ 89 Billion (2022)
Children's Health Insurance Program	\$ 17 billion(2022)
Total public spend	<b>\$ 1.8 Trillion</b>



# What do we notice in the process of following the money?

- + Federal and state regulates *all* aspects of health care service delivery
  - + Hospitals
  - + Home health
  - + Hospice
  - + Insurance companies
  - + Pharma
  - + Device manufacturers
  - + Physicians and other health professionals
  - + Graduate Medical training
  - + Medicare sets payment policy for the nation. Insurers follow Medicare's lead
- + *But that regulation is almost never focused on outcomes or total cost, and the regulatory process can be used by stakeholders to limit competition. market products and set prices.*

# What is the economic impact of the *hospitals* on communities?

- + 6.2 million hospital employees who earned \$364.2 billion in 2018
- + 60 percent of hospital workers earn less than \$50,000/year (2019)
  - + 28 percent are nurses and earn \$50,000-100,000/year (2019)
  - + 12 percent earn more than \$100,000/year (2019)
  - + 2.8 percent earn more than \$200,000/year (2019)
- + Of the **82** largest **non-profit** hospitals in the US in 2017, only six paid their CEO less than \$1 million/year
  - + 13 paid their CEOs **\$5 to 21.6 Million**
  - + 61 paid their CEOs between \$1 and \$5 million
- + *22 percent of hospital employee income -- or **\$80 billion** -- was paid to hospital workers making more than \$100,000/year*
- + **30-40 percent of all health care expenditures are for hospital care**
- + **About 61 percent of all hospital income has a public funding source**

# What is the economic impact of insurance companies on communities?

- + Medicare Advantage
- + 27 million enrollees
- + \$7 billion *additional cost* to Medicare in 2019
- + \$11,844 per enrollee (2019)
- + Medical loss ration 15 percent
- + Health insurance take is  $\$11,844 \times 27 \text{ million} \times 15 \text{ percent} = \mathbf{\$48 \text{ billion}}$

# What is the economic impact of insurance companies on communities?

## + Managed Medicaid

- + 53.7 million people (2019) – 41 states
- + \$5837 per person per year cost (2019)
- + Medical loss ration 85 percent

+ Health insurance take is 53.7 million x \$5837 x .15 = **\$47 billion**

+ (when you've seen one state Medicaid program, you've seen one state Medicaid program)

+ Medicaid Managed Care Spending in 2020. HMA as [healthmanagement.com](https://www.healthmanagement.com) 2/25/2021

+ Hinton E and Stoylar L. 10 things to know about Medicaid managed care Kaiser Family Fund. [KFF.org](https://www.kff.org) 2/23/22

# What does \$100 billion dollars a year buy?

+ **285,714** 2 bedroom apartments at \$350,000 each

+ Enough to house 1,142,857 people. A year.

+ Enough to eliminate homelessness in the US in 6-12 months

+ ( There were **582,462 people** homeless in 2022)

+ **1,333,333** \$75,000 medical school tuitions per year

+ ( there are now about 22,000 medical students per year in each of four classes, or about 90,000 medical matriculated medical students in the US. So enough tuition for about *14 times* as many medical students as we have now)

# What is the economic impact of commercial health insurance on communities

- + 179 million Americans have employer provided insurance
- + 35 percent, or 62 million, have fully insured products
- + 45 million Americans have non-group fully insured products
- + So 62 plus 45 million = 107 million have fully insured products
- + Average premium \$7739; medical loss ration of 85 percent
- + So **health insurance company take** is  $107 \text{ million} \times 7739 \times 0.15 =$  **\$124 Billion**
- + Some of this is public money: 2.1 million Federal and 19.5 million state and local employees and their dependent's insurance. Some are likely self-insured.
- + There is no longer a health insurance purchase mandate. But ERISA regulates this entire process.

+ Himber v. Employer –Sponsored health insurance statistics: what the data tells us. eHealth October 20, 2022

+ Russo r. US health care coverage and spending. Congressional research service February 6, 2023



# What is the economic impact of Pharma on communities: the *reach* of Pharma, which is FDA regulated

- + 48.6 percent of Americans used at least one prescription medicine in the last 30 days (2015-2018)
- + 66 percent of adults use at least one prescription drug
- + **89 percent of people over 65 use prescription medication**
- + 54 percent of people over 65 use four or more prescription drugs
- + Among people who take any medicine, the average number of medications taken is four

# What is the economic impact of the Pharma on communities?

- + US spend on pharmaceuticals-- **\$378 Billion 2021**
  - \$1145 per person per year
  - for a community of 10,000 **about \$11.5 million per year**
- + Scituate RI spends about \$22 million on schools
  - + 1200 students
  - + **138** Employees
- + One Walgreens drug store
  - + Average # of employees – 25
  - + Average income per store -- \$8.5 million
  - + About 74 percent from pharmacy operations
  - + **8** employees in Scituate are pharmacy related

# What is the economic impact of specialty physicians on communities?

- + Primary care physician density/100,000 population is **1.2** times greater in small, medium and large metropolitan US counties than it is in rural counties.
- + Specialty physician density/100,000 population in small, medium and large metropolitan US counties than it is in rural areas counties is **two to five times** greater than in rural counties.
- + Thus the *economic* impact of specialty practices economically disadvantages rural places more than primary care does.
- + We have no evidence about distribution of specialists among low and high SES census tracts.
- + Note that *all residency training is publicly funded (by CMS) via ACGME* so specialty distribution is under direct federal control

# What is the economic impact of primary care clinicians and practices on communities?

- +CVS just bought Oak Street Health for \$10.6 billion
- +Amazon bought OneMedical for \$3.9 Billion which bought Iora Health for \$2.3 Billion
- +ChenMed Market Cap -- \$7.4 billion

# What is the immediate economic impact of *research* on communities?

+ Places with most scientists as proportion of population (2017)

+ New York

+ Boston/Cambridge

+ San Francisco

+ Baltimore/Washington

+ Los Angeles

+ Chicago

+ **Average income of biotech scientists \$101,000 - \$138,000 (2019)**

+ *42-58 percent higher* than the average annual wage

# What is the immediate economic impact of *research* on communities?

+ Who are scientists and engineers? (2015)

+

White men	49 %
White women	18 %
Asian men	14 %
Asian women	7%
Black men	3%
Black women	2 %
Latino men	4 %
Latina women	2%



# What is the immediate economic impact of *research* on communities?

- + Taken together, research funding collects money from communities and *concentrates* it in cities, in the hands of high earners
- + Research also may produce economic benefits to communities over time, in terms of better products and process that create efficiency and profit potential

# Here's what we know about representation and income of research subjects:

- ❑ Distribution, by race, community characteristics class, income and language spoken at home; ZERO
- ❑ Income from research participation by race, community characteristics class, income and language spoken at home ZERO
- ❑ # of IRBS? Percent commercial/proprietary IRBS? ZERO
- ❑ But remember
  - + Tuskegee Syphilis Study
  - + Willowbrook Hepatitis Study
  - + Fernald State School study of radioactive minerals
  - + Jewish Chronic disease hospital study of rejection of cancer cells
- + IRBs are supposed to protect individuals. Who protects communities?

# What is the economic impact of medical schools on communities?

Medical school dean total compensation, 2021, **123/170** schools reporting

	public	private
mean	\$897,860	\$1,200,560
Median	\$994,868	\$1,509,654
75 percentile	\$1,107,262	\$2,039,005

# What is the economic and social impact of medical schools on communities?

- + 54/170 medical school classes are less than 50 percent in-state students.
- + The community and wage distribution of medical school employment is unknown
- + About **8 percent** of all US Medical students are Black. 13 percent are Latinx
  - + About **3 percent** are Black men
  - + (The US population is 12.4 percent Black and 19 percent Latinx . 6 percent are Black men)

# By comparison

- + ELAM – Escuela Latinoamericana de Medicina in Cuba has trained 170 US citizens, and is training about 90 now
  - + 50 percent Black and Latino
  - + In the US, 20 percent of all medical students are Black or Latino or have multiple ethnicities

# What Wikipedia thinks

- + Association of American Medical Colleges
- + Medication company
- +



# What do we learn by following the money?

+ Much of the economic activity around health care leads to a net transfer of wealth from neighborhoods and communities into the pockets of corporations and their shareholders

- + Hospitals
- + Insurance companies
- + Pharma
- + Researchers
- + specialty physicians
- + Primary Care physicians
- + Lawyers

# What do we learn by following the money?

- + That transfer of resources compounds the health challenges of communities, and likely reduces their *agency*, weakening democracy itself in the process.

# But “Physicians are the natural attorneys of the poor” ...and so much more

- + Impact on public health
  - + PREVENTION
  - + Reduce YPLL by effective and equal treatment
- + Impact on health disparities
- + Impact on the agency of individual patients -- “being with”
- + Impact on the agency of communities (via advocacy) – by bearing witness
- + Physicians make, promote and preserve relationship and human connection
- + thereby, become agents of democracy itself

# Medicine is public health

- + Virtual elimination of polio, measles, mumps, rubella and many birth defects rubella caused
- + Elimination of rabies
- + **Virtual eradication of rheumatic heart disease**
- + Control of hypertension and diabetes
- + Caused and then helped achieve significant reduction in SIDS
- + Significant -- 70 percent -- reduction in adolescent pregnancy
- + Significant reduction in smoking and tobacco related injury and death
- + Inadequate progress on HIV in the last twenty years. But we've made progress, and revolutionary progress before that.
- + Inadequate control of SARS CoV2 and Covid-19. 900000 excess deaths. But we saved 3 million lives and prevented 18 million infections

# Medicine is public health: opportunities

- + Diabetes treatment to goal: 2018 50.5 %
- + Diabetics with adequate lipid control (2018) 55.7%
- + Diabetics with adequate blood pressure control (2018) 70.4%
  
- + All three targets 22.2 %
- + Number of Diabetics in the US 34 million
  
- + People with Medicare who lack a primary care physician 67 percent
- + Estimate of people under 65 who HAVE a primary care clinician 43 percent

# Medicine is public health: HIV

+ HIV has been a preventable disease since 1996, because treatment is prevention

+ Number of new cases of HIV/year : 34,800 (2019)

+ 30635 (2020, new infections)

# Our challenge.... (and opportunity)

- + Is to build a health care system that is for people, not for profit, that starts by providing robust primary care to all Americans in every American neighborhood and community.
- + To redirect the \$2 trillion a year that is being extracted from our communities, and use it to build public housing, improve public education, improve public transportation, and strengthen community centers – public policy that will improve public health outcomes as it strengthens democracy.

# If you can see the invisible, you can do the impossible ...

- + Bernard Lown, M.D.
- + Co-recipient of the Nobel Peace Prize in 1985
- + For co-founding International Physicians to Prevent Nuclear War





# Don't Mourn. Organize!

Joe Hill

