

Johnson fears U.S. health reform proposal

Written by Elizabeth Barrett

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Policy makers removed from patient; solutions not thought out.

Frightening.

That is how Gothenburg Memorial Hospital administrator John Johnson describes the overall efforts of Congress, the Obama administration and others in trying reform health care in the United States.

“It’s one of the scariest times I’ve lived in regard to my professional life,” Johnson said. “I fear these people are rushing into a magnificent mistake instead of reform to make things cost less.”

Johnson was quoted in an article in the Dec. 7 issue of Modern Health Care magazine.

He was responding to a recent Medicare Payment Advisory Committee report on differences in regional Medicare spending and providers who are concerned about the overreaction of government officials.

Medicare is a governmental social insurance program that provides health insurance coverage to people 65 or older.



In the magazine article, Johnson said: “As we in rural America go about the business of trying to

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plan for the future of taking care of the patients we serve, we find ourselves in the predicament of not having a clue as to what the federal government, the White House, Congress, the Senate, its consultants, its actuaries or many other health care experts will do.”

Last Thursday Johnson said people entrusted to find solutions for health care have no idea about the operational needs of hospitals.

“They’re market watchers rather than advocates for patients. They never see patients. They only look at the bottom line and what they can do to affect it.”

What is most worrisome, he said, is talk about slashing health-care costs.

Instead, he said gigantic regulatory mandates are being created with increased federal oversight.

“That has a cost,” Johnson explained. “It’s reducing payments to providers which means increased expenses to the consumer.”

So far this year, Johnson said 36% of the nation’s hospitals are suffering from operational losses because of a poor economy and because government regulations have increased costs.

On Jan. 1, physicians must absorb a 21.2% cut from Medicare patients.

Johnson said Gothenburg and other small, rural hospitals are not insulated from the recession.

Over the last six months, revenue at GMH has dropped about a half million dollars.

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~~...the health reform proposal, which would allow the federal government to negotiate drug prices with pharmaceutical companies, could lead to a significant reduction in the cost of prescription drugs for patients. However, the pharmaceutical industry has expressed concerns that such a move would reduce the revenue needed to fund research and development of new drugs. The industry also fears that the reform could lead to a loss of jobs in the pharmaceutical sector. Despite these concerns, many patients and healthcare providers support the reform as a way to reduce the burden of high drug costs. The debate over the reform is ongoing, and it remains to be seen whether the proposal will be implemented in its current form or with significant modifications.~~