

The Trans-Atlantic Version of Great Moments in Government-Run Healthcare

By: Daniel J. Mitchell August 4, 2014

When government suppresses the free market and takes over the healthcare sector, you get some really odd results.

Consider these stories from Sweden:

A man sewing up his own leg after getting frustrated with a long wait.

The government denying a wheelchair to a double amputee because the bureaucrats decided his impairment might not be permanent.

Speaking of amputations, an unfortunate man was put on such a long waiting list that his only treatment, when he was finally seen, was to have his penis removed.

Today, we're going to augment that list. But not with another story from Sweden, which is actually a much better country in terms of public policy than most folks realize.

Instead, we're going to look at some great moments in government-run healthcare in both the United States and the United Kingdom.

Our first story is from the Chicago Tribune and it deals with Medicaid and Medicare spending.

But we're not going to look at the aggregate data. Those numbers are very sobering, to be sure, and you can click here and here to learn more about that problem.

Instead, we're going to drill down into the details and get some up-close evidence of why the programs are so costly. Simply stated, providers learn how to bilk the government.

A few years ago, Illinois' Medicaid program for the poor noticed some odd trends in its billings for group psychotherapy sessions. Nursing home residents were being taken several times a week to off-site locations, and Medicaid was picking up the tab for both the services and the transportation. And then there was this: The sessions were often being performed by obstetricians and gynecologists, oncologists and urologists —

"people who didn't have any training really in psychiatry," Medicaid director Theresa Eagleson recalled. So Medicaid began cracking down, and spending plummeted after new rules were implemented. ...Illinois doctors are still billing the federal Medicare program for large numbers of the same services, a ProPublica analysis of federal data shows. Medicare paid Illinois providers for more than 290,000 group psychotherapy sessions in 2012 — more than twice as many sessions as were reimbursed to providers in New York, the state with the second-highest total. Among the highest billers for group psychotherapy in Illinois were three OB-GYNs and a thoracic surgeon. The four combined for 37,864 sessions that year, more than the total for all providers in the state of California. They were reimbursed more than \$730,000 by Medicare in 2012 just for psychotherapy sessions, according to an analysis of a separate Medicare data set released in April.

Some of the specific examples are beyond belief. Keep in mind as you read the next passage that there are only 365 days in a year, and only about 261 workdays.

Of the Illinois OB-GYNs billing for group psychotherapy, Dr. Josephine Kamper had the highest number of sessions. She was paid for 10,399 sessions in 2012, at a cost to Medicare of \$207,980. ...Another OB-GYN, Lofton Kennedy Jr., billed for 9,154 group psychotherapy services. He declined to comment. The third-highest-billing OB-GYN, Philip Okwuje, charged Medicare for 8,584 group therapy sessions.

Illinois isn't the only place where taxpayers are getting ripped off.

A Queens, N.Y., primary care doctor, Mark Burke, was paid for more sessions than anyone else in the country — 20,841. He accounted for nearly one in every six sessions delivered in the entire state of New York in Medicare, separate data show. He did not return messages left at his office. Another large biller was Makeba Gordon, a social worker in Detroit. She was reimbursed for nearly 5,000 group therapy sessions for her 26 Medicare patients, an average of 190 each. She also billed for 2,820 individual psychotherapy visits for the same 26 patients, who allegedly would have received an average of 298 therapy sessions apiece in 2012. Gordon could not be reached for comment.

And I'm sure you won't be surprised to learn that the bureaucracy in Washington doesn't seem overly worried about this preposterous waste of money.

Aaron Albright, a spokesman for the U.S. Centers for Medicare & Medicaid Services, said in an email that Medicare has no policy regarding which physicians may perform group psychotherapy. During such sessions, "personal and group dynamics are discussed and explored in a therapeutic setting allowing emotional catharsis, instruction, insight, and support," according to rules set out by one of Medicare's contractors.

The second story comes from the United Kingdom.

Regular readers know that the government-run healthcare system in the United Kingdom is an ongoing horror story of denied care, sub-standard care, and patient brutality (<u>click here</u> to see some sickening examples).

You would think the U.K.'s political class would respond by trying to use money more effectively.

You would be wrong. The bureaucrats somehow have decided that tax monies should be used to finance a sperm bank, even though private sperm banks already exist.

Here are some excerpts from <u>a report</u> in the Daily Mail.

Britain is to get its first NHS-funded national sperm bank to make it easier for lesbian couples and single women to have children. For as little as ± 300 – less than half the cost of the service at a private clinic – they will be able to search an online database and choose an anonymous donor on the basis of his ethnicity, height, profession and even hobbies. ... The National Sperm Bank will be based at Birmingham Women's NHS Foundation Trust, which currently runs an existing NHS fertility clinic and recruits sperm donors from the local population. Funded by a £77,000 Government grant, the bank will be run by the National Gamete Donation Trust (NGDT) which this year received an additional £120,000 of public money to organise egg and sperm donation.

Some have criticized the initiative because it will purposefully increase the number of fatherless children.

...the move – funded by the Department of Health – is largely designed to meet the increasing demand from thousands of women who want to start a family without having a relationship with a man. Critics last night called it a 'dangerous social experiment' that could result in hundreds of fatherless 'designer families'. ...Ms Witjens rejected suggestions that children suffer adverse consequences from lacking a father figure. ...Ms Witjens pointed to the removal of the reference to a 'need for a father' in the Human Fertilisation and Embryology Act, when taking account of a child's welfare when providing fertility treatment.

I'm sympathetic to the argument that children do best in conventional households with fathers, but my main reaction to this story is that government shouldn't try to either penalize or subsidize unconventional households.

And a government-sponsored sperm bank definitely falls into the latter category.

But I'm not surprised. Governments love to squanders other people's money, and the U.K. government has considerable expertise (if you can call it that) in this regard.

Heck, the U.K. healthcare system is even financing boob jobs. But we're not talking about reconstructive surgery for women who had mastectomies. They pay for breast augmentation for women who claim "<u>emotional distress</u>."

Though maybe the U.K. government deserves a special prize. It developed a <u>giveaway program</u> that was so convoluted that nobody signed up to take the money.

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