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Weidenbaum Center Forum
Medicaid Financing: Challenges for Missouri and the Nation

Panelist: Medicaid and Health Care Providers

June 8, 2007

Good morning. In the spirit of public health and prevention medicine, I'd like to encourage everyone to stand up and stretch and move around while I'm talking. Excellent, and let's prevent those DVTs by moving our legs. There you go. I believe you can move and listen at the same time so don't feel that you have to sit down.

My objectives this morning are to help us all better understand the view point of a rural physician – that would be me – on the advantages and the disadvantages of the current Medicaid system and I will suggest areas for reform. The second objective I will lay out is for us all to have a better understanding of how my reformed proposed system will affect patient care. I'll also discuss the differences between urban and rural patients, the differences between urban verses rural doctors, and the differences between urban and rural hospitals.

My name is Georgeanne Freeman. I'm a doctor of osteopathy. I have a Masters degree and my background is in public health administration. I'm a success story for the National Health Service Corp, which I believe to be another good social/medical program from the federal government. I was born and raised in Houston, Texas. I did my residency in Seattle, Washington before coming to Southwest Missouri and the Ozarks. I would not have ever probably driven through there much less chosen to live there had it not been for the financial help I got from the federal government for a very, very expensive medical school. I would invite any questions or discussions either here or around the water cooler about how one can not only survive but also

actually thrive while being surrounded by poverty, depression, and a paucity of higher education, especially among my fellow women.

Going to the first objective, I'm going to get right into some nuts and bolts. Based on the 2003-2004 Missouri Foundation for Health statistical compilations rural people have less employer-provided insurance. Rural people have less opportunity for directly purchased health insurance. There are less uninsured in rural areas than there are in urban areas. It's almost equal. To get the slightly less you have to include both the less than 200 percent of the poverty line as well as 200 percent above the poverty line, and not surprisingly, I think, rural people have more Medicaid than their urban counterparts.

Advantages I see to the current Medicaid system, and keep in mind that I am in a rural practice, which is very different from the urban environment, but I think the problems are the same in a lot of ways. Number one is access, and this just echoes everything we've heard the other speakers say this morning. Medicaid provides access to health care for marginalized members of our community as well as our society. Mr. Thompson asserted earlier that the United States has the best system of health care. I would argue that if I had a trauma or I really needed medical services I would want to be in the United States, not because of our system but because of our services. I think we have amazing technology and we have amazing providers and we know how to do things well, but to me a system also implies distribution of assets. I think, in that, the United States fails miserably, which is why it is a problem.

The second advantage to the current Medicaid system is an overall decrease in cost to taxpayers and to small hospitals. If folks can get primary care with Medicaid dollars they are not going to be in the emergency room for their ear infection, for their cough, things that can be handled in an outpatient setting, which I think we all realize is much less expensive. Then you

don't have secondary and tertiary costs of outcomes that could be prevented, diabetes, asthma, and hypertension being prime examples of that.

I was surprised to learn a couple of years ago that administrative costs of private insurance companies and HMOs are dramatically higher than the administrative costs to run Medicare and Medicaid. I don't know about you all but I'm pretty sure we grew up thinking that government programs are fairly monolithic, they are really expensive, they are cumbersome and they are just froth with this huge piece of the pie of administrative cost. That's actually not true, so that's a positive, overall cost decrease.

Thirdly, the advantage to the current Medicaid system is that it flat out decreases human suffering. I see a lot of children in my practice as well. Many children everywhere are living quiet lives of desperation. Often their doctor is in a position to know intimate details about the family, things that might be going on with this child. Just to be able to say to a child it's not your fault that your mother pimps you out for meth, it's not your fault that your father is in prison and doesn't call you – I'm giving dramatic examples, but I think it's very important for people and children especially to have someone they can come to who is a mentor, a representative of adults that can offer kindness that they might not otherwise have access to. I think that Medicaid increases productivity because if people have access to health care and help with paying for their medications they can focus on being creative and doing their jobs and going to work. That helps society as well.

The fourth and final advantage I see to the current Medicaid system for me is economic. One of the reasons I'm staying in my bucolic landscape isn't just because the deer is delicious that I get to kill, but it pays well. I'm in a rural health center. Medicaid is my best payer. Medicaid pays 100 percent of the services for which I charge. I'm over an hour from any hospital and I have a background in emergency medicine so I run like a little ER in my clinic. If a child comes in with an asthma exacerbation I can provide the same care that I use to provide at Children's Hospital in

Seattle emergency room right there in the outpatient setting. That is cost effective. The children know me so there is that whole level of trust. It's nice. Economically for me it's good. Of course this is not true for all providers, in particularly dentists in rural areas. They just don't make anything.

There are some disadvantages I see to the current Medicaid system. One is lack of patient accountability. I would agree whole heartedly with Mr. Thompson's philosophy earlier about you just can't let people keep eating french fries and being obese and smoking and then having heart attacks and then we are all expected to shoulder the burden of paying for their four artery bypass surgery. That's just my opinion.

The second disadvantage I see in the current Medicaid system is that there is no coverage for many of the working poor. These working poor are paying into the very social programs that they cannot access until they turn 65 and can get Medicare. Innovation is stifled, I think, when people aren't getting basic health care or medication because if people are making survival decisions – and I can tell you that the elderly for sure are constantly deciding between food and their anti-hypertensives, how innovated can they be, really? If that's the goal we want, innovative citizens, I think we have to help get some of these basic survival needs met.

The third and final disadvantage I'm going to address today that I see in the Medicaid system is the pay for performance. I think it's a good idea and I get where ex-president Clinton was coming from when he started this. It's actually based on Chinese medicine. I'm excited because I can't wait for the East and West medical modalities to merge more. In China, the doctor gets a certain amount of money at the beginning of the year. Each time you are sick the doctor has to pay the patient. If the doctor does their job they make more money. It sounds good. I can just say that it is a buzz kill for me. It is depressing and embarrassing when I get letters from Medicare and Medicaid – mental health is the worst. I get these letters that say Dr. Freeman, your

pay for performance may be affected because you have failed to have your patient fill their schizophrenia medication in a timely manner. Intellectually I know I have not failed. I have tried everything I can to bring those patients in. Part of the problem with schizophrenia is that those people go off their medications, and this is just one example. I can't totally control what people do. This whole pay for performance thing, they don't really look at the charts and I can chart and document all day about how the patient was called, I may drive by the patient's house, blah, blah, blah, and that's not taken into account. I don't appreciate the little hand slapping that I get there.

Let's talk about reform and I have six quick points here that I would recommend. One is the accountability that I addressed earlier. Dr.Kitzhaber was a physician in Oregon who was a governor out there and he made really tough decisions about having patients be accountable – and adults are whom I'm talking about because they can be accountable for their actions. If obesity was the primary cause of your problem if you didn't lose weight you didn't get some of those benefits. This is rationing health care, and I understand from Mr. Thompson's talk earlier that that is a nasty word, but I think unless we do ration I don't see that change can really happen.

The second piece of my proposed reform would be for each patient in America to have a medical home. This has been laid out in a lovely manner by the American Academy of Family Physicians where physicians or physician practices – let's say I have a nurse or two – to help coordinate things among the community. I think that food stamps for Farmers Market would be at the top of that list. I do a lot of obesity counseling and it just really is very expensive for people to eat healthy compared to not eating healthy. A lot of people are eating out of Dollar General. I don't know about urban areas. I would think the urban poor would be similar, you know, boxes of high carb, no nutritional value foods.

Number three; if you are working and you don't have access to affordable insurance I think you should get Medicaid. Number four; Medicaid should cover all children not otherwise covered

by insurance. Number five, well, we'll skip that. It's kind of political. Six was the food stamps because I just love that you brought that up. I participate in my local food market myself providing organic greens and stuff to folks. You can't talk about good health care without talking about good food, I don't think.

Let's talk about rural verses urban. I did my residency at the University of Washington in urban Seattle in the inner city there so I can speak to it a little bit. One of the things you lose going to a rural area is academic camaraderie.. I'm the only doctor at my practice. I don't currently have a nurse practitioner and if anyone is aware of a nurse practitioner that might want to go a fun, beautiful area and work very, very hard, I'd be interested in that.

I can't shop where I live. You can imagine, right. Hey doc, take a look at my toe fungus. Well, you know, I'm buying cauliflower. That's gross. I can't answer the phone because patients found my phone number. I do, however, use this to my advantage because I have a husband. I couldn't possibly shop. I couldn't possibly answer the phone and he's not here today, but I get out of a lot of work by using that. It's possible that I am more valued by my hospital administrator because doctors aren't falling off the trees to go rural areas. I don't know if there are any medical students in the audience but I sure hope there are. There are some positives to being in rural areas. One of the problems in medicine, if you've practiced as a physician it doesn't take long to figure out there are real problems between providers and administrators even in the best of systems in the best of times in the best of intended parties on both sides. But I think I get away with a lot with my administrators because they know that there's nobody else wanting to be there really.

I have good police back up in my rural area. My LPN at the office, her husband is the chief of police. When I'm taking someone's oxycodone away from them, which goes for $30 to $60 a pill on the street, I'm taking away their livelihood because I'm trying to get them off this drug that in my

medical opinion they don't need – which isn't true for everybody. I'm talking about some people. All I do is have Lorraine call her husband and he comes in and stands there with his gun and gives me good backup. I just love that.

I had a real problem in Seattle with a sense of entitlement that a lot of my patients had; give me, give me, give me, and this goes back to patient accountability. I will say that in my rural setting I find the patients to be much more appreciative of the care I give them and the services. I think because they are just not used to being noticed so much with programs and funding. We have this big beautiful clinic and they like just coming in there and sitting in there especially when it's hot. We have a lot of pride in our rural communities. That can be both good and bad. They might not access care because they are embarrassed about a problem. I see them try hard if I give them some guidance on how they can affect a problem.

The difference I see between urban and rural hospitals is that our staffing is a huge challenge because there is not a large pool of qualified applicants from which to draw. Then the other thing, and this could be good or bad, people may avoid going to that hospital because their sister works there but then again they may want to go there because their sister works there. Counter intuitively, the organization for which I work is out of Boliver, Missouri and we are paperless. We are completely wired. We did that because we have a grant writer, a great grant writer. Got us a $10 million grant from Governor Blunt. I love the electronic medical record but I'm kind of a technology person. Not every physician shares my view at the organization. In fact, I'm definitely in a minority. I'll tell you on that. Mr. Donald Babb is the CEO of Citizen's Memorial Hospital and like Mr. Leopold earlier, he is a visionary. It is so exciting to see individuals whom are visionaries really making a difference in their community.

Lastly, only four more items, my proposed reform will affect patient care in the following ways:

1. Involving patients in their own health care, this makes them partners and when you can get buy in things work better.

2. It's going to improve the system of health care and this is where I include the delivery and access to what is an already existent excellent service in the United States.

3. Medical reform would encourage innovation because when more people are covered by health care benefits they have better health. This leads to better thought processes, which leads to more productive members of society and communities.

Finally, my last point here, I was just driving home the point that insurance companies really do a bad job of limiting – I don't know that they try to limit at all – the whole administrative cost of health care, which I think is large. Thank you for your attention.

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This Weidenbaum Center Forum was cosponsored with Washington University's Center for Health Policy, the Federal Reserve Bank of St. Louis, and the Missouri Foundation for Health.