

Improving health care benefits by reducing costs

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Public health physicians at Harvard University developed the concept of Disability-Adjusted Life Year (DALY), meaning the years of life lost to illness, disability, or early death, in 1990 (1). The World Health Organization adopted the concept in 2000 as a unique and valuable measure of the impact of diseases that includes the contributions of both morbidity and mortality.

More recently, health economists have used the DALY concept in a different way: to measure the years of life and health *gained* from treatments for various diseases (2). This is a good approach since it emphasizes patient outcomes. DALYs take into consideration the adverse effects, costs, and patient satisfaction of treatments as well as the resulting patient disability and longevity (1), so DALYs gained from a therapy are a direct measure of what matters to patients.

Wouldn't it make more sense for health ministries to determine the DALYs gained from different therapies for diseases, and decide whether or not to pay for treatments based on their ability to increase DALYs at lower cost?

Do patient outcomes deserve this central role in determining what health care is provided? The ICC believes that they do. Further, although governments each will have financial limitations in the care they can support, since governments should serve all their citizens and have an obligation to improve public health, what they do provide should benefit patient outcomes.

If a health ministry were to establish its own insurance program that funds only the health care that maximizes DALYs for its participants, this would shift the benefits of health care to patients' outcomes instead of maximizing corporate profits. Many health insurance companies take at least 30% of all revenues as profit and enforce policies that minimize the care that insured patients can receive. Medical corporations do the same.

In order for a DALY system to be established, a new approach to the clinical practice guidelines used in many countries to determine appropriate treatment of diseases will be required. As recently discussed in the Journal (3), most specialist guidelines have unmanaged conflicts of interest among the participants and little or no patient or primary care input into the guideline development process. Many of these guidelines are designed to maximize the profits of specialist clinicians and of the drug, device, and procedure companies that provide payments to the guideline developers, and do not take patient outcomes into consideration.

Most peer-reviewed medical journals and medical regulatory agencies assess the benefit of a therapy by its effect on surrogate measures of a patient's status such as glycosylated hemoglobin or creatinine levels for diabetic patients or FEV1 for COPD patients, even though these measures may not correlate with patient outcomes such as life expectancy or disability. Such assessments based on surrogate measures may lead to the use of expensive therapies to affect these measures, resulting in severe adverse effects and, paradoxically, greater patient disability and expense.

In some Western countries this problem is exacerbated by the fact that health care is provided in a way that maximizes profit for the providers, usually without regard to patient outcomes. For example, the U.S. spends almost three times more of its GDP on health care but has much lower life expectancy and other measures of public health compared to Japan and other European countries like the UK that have more cost controls in place. The US government reimburses physicians using the Resource-Based Relative Value Scale, which rewards the provision of highly reimbursed services without consideration of whether clinicians are providing low-cost, high-value care for patients (4). The health counseling services provided by primary care physicians are seldom reimbursed in the U.S. system. All this leads to overuse of expensive, invasive, high-tech procedures that often do not improve patient outcomes and sometimes makes them worse. Health counseling that can prevent illness is ignored.

Drug and device companies vigorously promote their own products, regardless of their actual benefit to patients or the availability of other, less expensive products, with similar benefits. Clearly, health care that focuses on patient outcomes

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by maximizing patient DALYs provided by their therapy will restrain costs and benefit patients compared to the proprietary for-profit business model in place throughout many Western countries.

Clinical recommendations based on optimizing the DALYs provided by therapies would be a distinct improvement over the recommendations that result from the conflicted guideline development process. Of course, the process of assessing the DALYs resulting from various treatments would have to involve experts without conflicts of interest with respect to the treatment to assure unbiased results. Currently, data on the benefits of treatments are usually collected by the proprietary interests that benefit financially from their use, and the source data from such studies are usually undisclosed. Independent research on the DALYs provided by various treatments would be a major, necessary effort, but the costs could be borne in part by the companies or other groups that would profit from the use of their new procedures and treatments and having accurate, unbiased assessments of treatment benefit is essential.

Health care management companies and physicians are financially incentivized to maximize the use of their own services and their most expensive and profitable procedures. Often, they

provide expensive therapies in situations where inexpensive therapies would benefit patients more.

I believe that many expensive forms of care such as emergency coverage, palliative therapies, end-of-life care, and long-term care would, in fact, increase the patients' DALYs. Above all, health care must be humane, regardless of the financial implications. Governments should seek the benefits that this DALY system would provide, unless their commitment to for-profit companies is greater than their concern for their citizens.

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