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# The Dark Side of a Consumer-driven Health System

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UNCHECKED, PROFESSIONALS sometimes shortchange the rights of patients and interests of consumers and the public. Medical consumerism can help rein in the paternalism and self-interest of professionals. Proponents of medical consumerism argue that it will lead to more responsive organizations and to better quality, service, and prices. Providers of medical care can take account of the consumer perspective, increase information for consumers, and promote patient and consumer choice and participation in decision making. The articles by Julie Morath and Quint Studer show some of the benefits of medical consumerism and explain how consumer-oriented management can improve the quality of healthcare.

Elsewhere, I have explained that strengthening the consumer voice is a neglected remedy to promote healthcare change (Rodwin 1997) and looked at the potential as well as the obstacles for the growth of a consumer health movement (Rodwin 1994, 1996, 2001). Consumerism may also help check the conflicts of interest of professionals (Rodwin 1993). Morath, Studer, and I agree, then, that the healthcare system should focus on the individuals who receive or need health services. We also agree that medical consumerism has great value, which is only partially tapped. The perspectives of patients and consumers were neglected for most of the twentieth century. However, over the last two decades the tide has shifted. Health managers and policymakers now generally acknowledge the importance of the consumer in healthcare. The readers of this journal too, I suspect, are either proponents of furthering medical consumerism or are sympathetic to the idea. However, if we adopt a full consumer model for our healthcare system, we will incorporate not only the positive elements of consumerism but some negative ones as well. These negative aspects are often overlooked by proponents, so in this commentary I will explore the dark side.

## THE CONSUMER METAPHOR

When we think of patients as healthcare consumers, we promote the idea that healthcare is a market service purchased by individuals, just like any other. That metaphor works well in some contexts, but not in others. If we forget the limitations of the consumer metaphor, it will distort our thinking about medical care, and we will not be furthering the interest of patients or the public.

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*We need to balance consumerism with professionalism and public service.*

Healthcare is not solely a matter of individual market choice and personal responsibility. Health is at the core of our social welfare, and it is the product of public policy as well as the private sector. The manner in which we organize our health system reflects our social bonds. How we provide health services can promote or weaken social solidarity and public spirit. Therein lies the rub. Thinking of healthcare as a consumer issue may reduce our sense of social obligation to provide medical services for those who lack means. In the name of promoting consumer choice, we may open up options only for individuals who have ample resources. A consumer model may encourage the idea that healthcare professionals or organizations have little or no obligation beyond engaging in activities that promote their return on investment. We may also forget that when markets do not provide the outcomes we want, we can use public policy and governmental programs to achieve those ends.

We need to consider what it is about a consumer health model that we like and whether it is possible to develop these aspects without the less-desirable features of consumerism. There are four aspects of consumerism that I think we should avoid: two address patients, and two speak to providers. These are noted below in the propositions about a consumer model of healthcare.

## COMPLIANT CONSUMERS

### **If You Don't Have Any Money, You Won't Get Any Service**

Consumers only purchase what their budget allows, and many people cannot afford healthcare. Should we treat healthcare insurance as an item to be allocated based on ability to pay? That may be the result if we treat healthcare as a consumer service and the public as consumers of healthcare. The United States already leads industrialized nations in the extent to which it will let our public "go bare," that is, go without health insurance. Nearly 18 percent of nonelderly Americans are uninsured, and if one looks at whether those individuals lacked insurance at some time during the span of two years, the figure is nearly 25 percent. The current economic recession is exacerbating matters, as state deficits and the lack of federal funding (which will be made worse by the Bush administration's proposed tax cuts) force cuts in Medicaid eligibility and coverage. Moreover, the Bush administration's proposal to convert Medicaid from an entitlement program to a block grant would further erode our social compact to provide medical care to the poor.

### **If You Don't Have Lots of Money, Don't Expect Much or Very Good Service**

Consumers get better quality when they pay more. The logical implication of treating medicine and healthcare as a consumer service is that those with money should have more, better, and prompter service. Promoting medical consumerism will stratify the public as providers cater to the affluent and those with modest means receive reduced service and benefits. This is beginning to happen in the

private insurance market (Robinson 2002). Segmentation of the market is increasing as health plans provide better coverage and more choice to those individuals who pay more in premiums, deductibles, and copayments. A consumer-driven healthcare system is unlikely to provide convenience or quality to people who lack resources when more money can be earned by providing services to the affluent.

## PERVERSE PROVIDERS

### **If You Want to Please the Consumer, You Can Do So by Decreasing Price and Lowering the Quality of Service**

Proponents hope that a consumer-driven system will result in providers competing by improving their quality to win over or maintain their patient loyalty. However, another outcome is possible. Providers may compete by lowering their price and also reducing the quality of their services to make lower prices possible. This is particularly a risk where it is hard to measure or monitor quality and purchasers are sensitive to costs. If we place greater fiscal responsibility on individuals to promote medical consumerism, we will be asking individuals to make such trade-offs, not a very enticing choice.

### **If You Don't Get Paid Well, You Don't Need to Provide Service**

Under a consumer-driven model, healthcare providers may not think of themselves as obligated to serve out of a sense of professionalism but because their work is well compensated. The corollary will be that modest payment should entail only modest obligations, that standards of care should be varied based on ability to pay, and that excellent service should be delivered only for top payers. Most healthcare providers will be paid around the mean payment level. Will most providers then become content to provide only middling or mediocre service unless they receive a higher fee? Proponents of medical consumerism hope that it will spur providers to respond to the public. However, it may produce the opposite for all but the top tier.

## LIMITS OF THE CONSUMER MODEL

Few proponents of a consumer-driven health system would advocate the propositions listed above. However, they are consistent with a consumer-driven healthcare system and a realistic outcome of this model, unless we temper such a model with other values. We need to balance consumerism with professionalism and public service. We should care for patients because of our humanity and because they are part of our community, not just because they pay the bills.

However, there are limits to the amount of burden that society should impose on individuals to provide uncompensated service. It is too thin a reed for society to rely on the altruism of individuals to remedy poverty and other social ills. Leaders

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in the private and public sectors should promote an ethic that allows increasing taxes for those with means so that our nation can care for those who need medical care but lack resources.

Today, public policy is reducing public spending for healthcare and other social services while reducing taxes. Our sense of social solidarity is being undermined. In this context, proposals for consumer-driven healthcare risk being transformed from instruments of reform that promote individual welfare into measures that let the most vulnerable individuals, and perhaps even the general public, fend for themselves. That would take the *care* out of healthcare.

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