

## Commonsense Questions to Move Beyond Health Care at All Costs



See also Magnan and Teutsch, p. 1731, and the *AJPH* Wasteful Medical Care Spending section, pp. 1730–1759.

The United States is making a risky bet on the mistaken idea that if some health care is good, more care and higher priced care must be better. Virtually no other country shares this belief. Compared with peer nations, the United States spends far more on health care, yet Americans live shorter, less satisfying lives (McCullough et al., p. 1735). This dismal pattern has grown worse since 1980—making the United States a global outlier for its poor health care system performance (Kindig and Chowkwanyun, p. 1741). Together, we can replace the false belief that more care is always better, with a firm understanding that there are more effective and more equitable ways to spend our health care dollars.

The United States is past the point of generating value from its exorbitant health care expenditures (Zimmerman, p. 1755). Not only is excessive spending on high-priced, low-value care inefficient, it inhibits people's freedom to thrive and undermines national competitiveness. It exposes millions to unnecessary harm both directly, through risks associated with health care services, and indirectly, by diverting resources from other vital conditions that all people need to reach their full potential. Over time, inadequate investment in those vital conditions drives racial and social

injustice, mounting affliction, greater demand for urgent services, growing vulnerability to calamity, and costly rescue packages that deepen intergenerational debt.

With so much money devoted to personal health care, the United States shortchanges public health infrastructure, preparedness planning, and wise investments in other sectors. The dangers of this dynamic are currently playing out on a massive scale. The richly resourced US health care industry is powerless to protect the population from SARS-CoV-2 infection, even though the threat of a pandemic was predicted years before. Nor can health care institutions avert the staggering harms from the immediate social and economic fallout of the COVID-19 pandemic. Add to that a series of climate catastrophes, glaring displays of systemic racism, and rising authoritarianism, and it becomes clear that the United States urgently needs a more balanced investment portfolio. Yet we continue to waste vast sums of money—between \$600 billion and \$1.9 trillion per year—on medical care that does not contribute to but rather undermines population health and well-being (Speer et al., p. 1743).

It will take strong civic muscle to pull ourselves out of this self-

defeating, health care-centric spending spiral. A critical first step, recommended by the Institute of Medicine, is to set national targets for life expectancy and health care expenditure (Magnan et al., p. 1733). Having a spending target defines precisely how much lower health care spending needs to be to achieve parity with peer countries: approximately 3.3% per year through 2040 (McCullough et al.). Better still, international benchmarks create opportunities to learn. The US system is infamous for fragmentation, inequity, high prices, and astonishing profit. What could we learn from countries where health care is delivered to everyone for about half the price through a more cohesive system of shared goals, smarter incentives, firm regulations, and mutual accountabilities?

What will it take to change business as usual in the health care industry? Health care organizations (both profit and nonprofit) are now the biggest business in the United States, employing more people than any other

sector—and big businesses tend to be relentless in their quest to grow even bigger. If we want maximum value for the money we spend, if we want to enhance our freedom to thrive in a world fraught with escalating and existential threats, then change-makers must counter the vested interests that seek unchecked growth across the biomedical industrial complex.

Previous reforms have typically fallen short when they pursued piecemeal approaches that are too small to matter, too ambitious to withstand attacks from special interests, or too disconnected from the strongest forces that affect health and well-being. Meanwhile, perverse economic incentives are driving medical spending higher and distorting the popular view of “health care” itself from its earlier meaning as a verb describing a caring relationship into a noun describing a lucrative commodity to be distributed—or denied.

Any viable endeavor to instill new spending priorities must overcome sticking points like these. Savvy system stewards must craft new solutions based on answers to questions such as the following:

- Is the strategy too small? Effective reforms require bold commitment to unlock

### ABOUT THE AUTHORS

Bobby Milstein is with *ReThink Health* (an initiative of the Rippel Foundation) and the Massachusetts Institute of Technology Sloan School of Management, Cambridge, MA. Jonathan Fielding is with the University of California, Los Angeles Fielding School of Public Health and Geffen School of Medicine.

Correspondence should be sent to Bobby Milstein, *ReThink Health*, 678 Massachusetts Ave, Suite 400, Cambridge, MA 01239 (e-mail: [bmilstein@rippel.org](mailto:bmilstein@rippel.org)). Reprints can be ordered at <http://www.ajph.org> by clicking the “Reprints” link.

This editorial was accepted September 21, 2020.

<https://doi.org/10.2105/AJPH.2020.305985>

everyone's potential to thrive. By contrast, most previous efforts to reduce health care spending sought only incremental cuts around the edges of a badly designed system. Small-scale thinking is precisely what many health care leaders and their lobbyists want. They favor "reforms" that do not challenge the status quo. Considering the size and gravity of the threats we face, small-scale changes will not suffice.

- Is it too big? Because the biomedical complex is already so large, grand actions that seem appealing in principle would likely cause unacceptable hardship in practice. Instead, changemakers must orchestrate a just transition that creates jobs in other arenas while ending our excessive dependence on costly, low-value medical services. Americans need not sacrifice the care they need if health care leaders are willing to reduce wasteful practices and profits.
- Does it optimize health care value? US health care is fraught with twin problems of underutilization (e.g., inadequate preventive care) and overutilization. Crude proposals to cut spending across all types of care are counterproductive. Smart reforms ought to right-size the health care industry so that it delivers affordable, high-value care to everyone.
- Does it equitably enhance safety and resilience? Millions in the United States endure lifetimes of indignity and adversity, which fall hardest on people of color, those in poverty, and other disadvantaged groups. Pandemics and climate catastrophes are the most extreme examples yet of our escalating and unjust

vulnerability. As a nation, we must combine cost-cutting schemes in health care with much larger and more equitable investments in the vital conditions that everyone needs to thrive together—with no exceptions.<sup>1</sup>

- Does it lower prices and pay for the right things? Americans pay vastly different prices for the same services depending on who pays. Fee-for-service health care rewards volume not value. Even value-based payment does not place economic incentives where they most belong: on the value of each person's life and the conditions that each of us needs to flourish. More promising payment structures would have an aggregate budget for each defined geographic area and a policy structure that allocates within (not beyond) the budget limits. For example, see Fisher's proposal for a "single system solution."<sup>2</sup>
- Does it introduce a new narrative? The story that guides how Americans think about health care is simple—and wrong. Health care *is* a good thing, but not when it is unnecessary, inequitable, and overpriced. That kind of care is dangerous and diverts resources from the investments we need to thrive together. It is too hard for individual consumers to see the hidden costs of wasteful spending, which are already at frightening levels. It is time to write a new story that does not bet our lives and livelihoods on health care at all costs.

Critics may argue that these kinds of changes are impossible. However, similar kinds of transitions are already under way in other sectors, including efforts to scale back wasteful spending

on mass incarceration and non-renewable energy. In addition, businesses across the economic landscape are beginning to compete not on short-term profit for a few shareholders but on their ability to generate sustained value for all stakeholders. Health care organizations can embrace—and be held accountable to—this same standard. **AJPH**

*Bobby Milstein, PhD, MPH  
Jonathan Fielding, MD, MPH,  
MBA*

#### CONTRIBUTORS

The authors contributed equally to this editorial.

#### ACKNOWLEDGMENTS

We are grateful to the organizers of this special section and to all fellow members of the National Academies Roundtable on Population Health Improvement, Collaborative on Health Care Expenditure.

#### CONFLICTS OF INTEREST

The authors have no conflicts of interest to declare.

#### REFERENCES

1. Milstein B, Roulier M, Hartig E, Kellerher C, Wegley S, eds. Thriving together: a springboard for equitable recovery & resilience in communities across America. Available at: <http://thriving.us>. Accessed July 4, 2020.
2. Fisher ES. Reforming health care: the single system solution. *NEJM Catal*. 2020; 1(5):1–28. <https://doi.org/10.1056/CAT.20.0456>