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# Why health care reforms are needed

ELECTION '96
HEALTH CARE

HEALTH insurance used to be a lot different from auto insurance — but not anymore. Doctors and nurses used to be in charge of health care.

Today, profit-driven HMOs and health insurance companies have taken over.

Like the auto insurance companies, these giant corporations make most of their money by investing our premiums. Thus, like auto insurers, they have a powerful financial incentive to avoid paying out money — for tests, for specialists, for treatment.

And that is exactly what the HMOs and health insurance companies are doing.

Many Californians don't realize that HMOs and insurance companies give bonuses to doctors for withholding or delaying care, limiting referrals and hospital admissions.

They censor what doctors can tell patients about the treatment they need, or how they are compensated under the bonus system. They force patients out of the hospital before they're fully recovered. They replace registered nurses and other professionals at bedsides with low-wage "care buddies," who have only a few days of minimal training.

Eight years ago, California voters decided to do something about auto insurance abuses: they approved Proposition 103. Now, it's time to reform the health care industry, and Proposition 216 on the Tuesday ballot is the only way to do it.

Backed by California's nurses and consumer advocate Ralph Nader, Prop. 216 will put the "caring" back in health care.

It will:

▶ Outlaw bonuses that force doctors and nurses to choose between the needs if their patients and the greed of the HMO.

▶ Ban the "gag rules" that prevent physicians from being honest with you.

▶ Ban the use of untrained personnel for patient care.

▶ Require HMOs to give you a second opinion before they can deny treatment that your doctor has ordered.

▶ Establish a consumer watchdog group to make sure the initiative's provisions are properly implemented. Funded by voluntary contributions and accountable directly to consumers, it is based on "consumer boards" such as the Utility Consumer Action Network in San Diego, which has saved ratepayers an estimated $600 million.

Just like the auto insurance companies in 1988, the HMOs claim they can't afford these consumer protections.

But meanwhile, 30 cents of every health care premium dollar we pay goes to the HMOs' profits, marketing and their bloated bureaucracy.

And there's no shortage of money when it comes to the big insurance companies and for-profit hospital chains gobbling up community clinics, doctor's practices and each other — $22.7 billion spent on medical mergers and acquisitions over the last three years.

Here's the truth: Prop. 216 requires the health industry to pay all the costs of enforcing the initiative through penalty fees of 1 percent to 2.5 percent on wildly excessive HMO salaries, mergers and medical service reductions.

These fees will also help cover the costs of community trauma care and disease prevention programs, now paid for by taxpayers. For extra protection, Prop. 216, like Prop. 103, prohibits unjustified premium increases.

Finally, just like in 1988, there's a counter-initiative that's causing confusion.

Prop. 214 is a toothless measure that would allow a majority of politicians in the Legislature to change it — the same politicians who blocked health care reform in the first place because they are in the pockets of the insurance companies.

And because of a drafting error, Prop. 214 may not even apply to insurance companies like Kaiser Permanente, Aetna and Prudential.

That's why California's nurses and Ralph Nader urge consumers to vote "yes" only on Prop. 216.

*Harvey Rosenfield, the consumer advocate who wrote Prop. 103's auto insurance reforms, is the co-author of Prop. 216, "The Patient Protection Act."*