Written by **Brian Koenig** on November 2, 2011

States Limiting Hospital Stays for Medicaid Patients

In an effort to curb rising healthcare costs, states are limiting Medicaid hospital coverage for the poor to as few as 10 days a year. State governments claim the move is necessary to balance their meager budgets which have been battered by the economic downturn and the end to federal stimulus funding that helped keep their Medicaid programs afloat. Hospital executives and advocates for the impoverished adamantly oppose the measure, as it will place limits on medical care, bear more costs to hospitals, and inflate charges for privately insured patients.

Some states will be instituting more stringent restrictions than others, as Arizona plans to limit Medicaid recipients to 25 days of coverage while Hawaii plans to slash coverage to a mere 10 days a year, the fewest of any other state. The restrictions will not include children, the elderly, disabled, pregnant women, and those receiving cancer treatment.

America's Health Insurance Plans, a trade association for the health insurance industry, says private insurers generally do not limit hospital coverage. Rosemary Blackmon, executive vice president of the Alabama Hospital Association, said that "for the most part hospitals do what they can" to treat Medicaid patients despite government limits. Likewise, Arizona hospitals will not discharge or refuse treatment to Medicaid patients who need care, asserted Peter Wertheim, spokesman for the Arizona Hospital and Healthcare Association, so "hospitals will get stuck with the bill."

Critics note that Medicaid's financial deficiencies, and states' new initiative to limit hospital stays, is the fatal blemish of single-payer health financing, because when budgets become untenable, the single-payer (being the government), becomes unstable — and rationing becomes the inevitable result. Under the Patient Protection and Affordable Care Act, commonly known as ObamaCare, the government's increasing role in the healthcare market will suppress private competition and produce a similar consequence as to what patients are now seeing with Medicaid.

Under ObamaCare, the government will stick private insurers with more mandates and likely place a cap on premiums, stifling the potential for profit while forcing Americans into federal health insurance exchanges. This is the first step to socialized healthcare, and, arguably, the ultimate goal of the Obama administration.

Politicians and analysts on both sides of the debate point to Canadian- and British-style healthcare as models for single-payer systems, and opponents contend that government interference in healthcare has endangered the health of patients in those countries. Many Canadian patients, for example, suffer from rationing and long waiting lists, as the Canadian government fights a bureaucratic system that languishes in financial turmoil.

The Fraser Institute, a think tank headquartered in Vancouver, conducts an annual study, "Waiting Your

Turn: Hospital Waiting Lists in Canada," which is one of the most comprehensive studies on medical care waiting lists in Canada. The highlights of Fraser's 2010 report are as follows:

• Specialist physicians surveyed across 12 specialties and 10 Canadian provinces report a total waiting time of 18.2 weeks between referral from a general practitioner and elective treatment in 2010.

• Patients in Ontario experience the shortest wait (14.0 weeks) followed by Manitoba (17.5 weeks), and British Columbia and Quebec (18.8 weeks).

• Patients wait longest to undergo orthopedic surgery (35.6 weeks) and wait least for medical oncology treatment (4.9 weeks).

• Canadians wait nearly 3 weeks longer than what physicians believe is "reasonable" for elective treatment after an appointment with a specialist.

• Throughout the provinces, in 2010 people are waiting for an estimated 825,827 procedures. Assuming that each person waits for only one procedure, 2.45 percent of Canadians are waiting for treatment.

• Only nine percent of patients are on waiting lists because they requested a delay or postponement.

Likewise, patients under the National Health Service (NHS), Britain's publicly-funded healthcare system, also suffer from interminable wait times. Even patients needing basic diagnostic procedures — X-rays, ultrasounds, cardiology tests — are waiting extended periods, which doctors warn could cause serious harm, or even death, to patients waiting for diagnoses on fatal illnesses such as cancer.

According to new NHS figures, the problem has worsened, as 15,667 patients waited more than six weeks for a diagnostic procedure in May alone, more than four times the number last May. "It is worrying that patients are having to wait longer for tests, as this could delay diagnosis and have a detrimental effect on patient care," said a spokeswoman for the Royal College of Physicians. Overall wait times on general NHS treatment has skyrocketed, with the number of patients forced to wait six months for care spiking 61 percent in only a year. The Department of Health reported figures showing 11,857 patients in June had waited half a year to receive medical care, up from 7,360 in June 2010.

With few exceptions, the "NHS Constitution" ensures that patients "have the right for any non-emergency treatment to start within a maximum of 18 weeks or for the NHS to take all reasonable steps to offer you a range of alternatives" if the 18 week goal cannot be met. But according to the UK *Guardian*, the NHS has violated its pledge in multiple categories:

> A *Guardian* analysis of official NHS data on England's six main waiting time targets shows that five are increasingly being breached. The number of patients waiting more than six weeks for a diagnostic test such as an MRI scan has quadrupled in the last year, an extra 2,400 people a month are not being treated within 18 weeks, and 200,000 patients waited longer than four hours in A&E this year compared with the same period in 2010, the data reveals.

The bureaucracy that envelopes Britain's healthcare system has sparked an ethical dilemma, as the NHS manipulates data and creates loopholes to comply with various requirements. Doctors have reported that sometimes they prioritize patients with minor ailments over life-threatening illnesses so they can reach government targets. For instance, with wait times for hip and knee replacement surgeries so steep, these patients are often treated before those needing urgent surgery, for operations such as artificial implantation and joint reconstruction.

The National Audit Office (NAO) investigated 50 NHS trusts, involving 558 consultants, and found that more than half admitted to prioritizing less critical medical procedures over urgent and more complex

procedures. Hospitals found that by performing simpler operations waiting lists would diminish more rapidly, which meant better government treatment, and possibly, more funding. The NAO determined that patients closer to the 18-week target were given priority, even if it meant longer waits for critical patients.

Medicaid patients are beginning to experience the same problems — long wait times and limits on hospital stays — which plague British and Canadian patients. This is the unfortunate result of single-payer health financing, and should be a red flag to the bureaucrats in Washington who plan to implement similar policies. Although the President and Democrats in Congress have not directly instituted a single-payer system, ObamaCare is undoubtedly a step in that direction.

Obama appointee and "Rationer-in-Chief" Dr. Donald Berwick, the Administrator for the Centers for Medicare and Medicaid Services — who has professed an unyielding love for Britain's single-payer system — summed up the inevitable consequence of socialized healthcare: "The decision is not whether or not we will ration care — the decision is whether we will ration with our eyes open."