

## What's All the Fuss About Restricting Choice of Physicians?

by Peter Pratt, Senior Consultant for Health Policy

Out of the fog of secretive task forces, after innumerable and contradictory trial balloons and pundits' speculation, President Clinton's health care reform plan is assuming a good deal of clarity even before the official unveiling expected in September. For example, it is likely that consumers will not only be allowed a choice of accountable health plans—at least in more populous regions—but also have the option of seeing a physician who does not belong to their plan's network by paying a bigger share of the cost of that physician's services. This option is the defining characteristic of point-of-service plans, HMOs with greater freedom of choice. These plans give consumers what survey after survey says they want: freedom of choice of physicians.

### HOW MUCH DOES MANAGED CARE REALLY RESTRICT CHOICE?

These surveys are quite misleading, however. Time after time, they ask respondents if they favor a national health care reform plan that would restrict their choice of physicians. Most respondents translate the question to mean: "Would I prefer a health care plan that does not allow *me* to see *my* current doctor?" In other words, they assume that health care reform will *automatically* mean that they will be unable to see their own physician. This is clearly not true. Most consumers fail to understand that reform will bring with it gigantic networks of physicians that are associated with (or run) large health systems. The larger the network of physicians in a given geographical area, the less the restriction on choice of physicians. Most HMOs have always sought to widen their physician networks as much as possible, and this continues in earnest as reform approaches. Moreover, many physicians are affiliated with more than one health maintenance organization (HMO) or managed care plan in an area. In recent years, increases in managed care enrollment have been concentrated not in staff model HMOs<sup>1</sup>, which tend to have the most limited networks of physicians, but in options that give consumers more, not less, choice of providers. Given these realities, the controversy over restricted choice of physicians seems exaggerated.

### MEMORIES OF THE MYTHIC FAMILY DOCTOR

While the managed care market adjusts to consumer demand for greater choice of physicians, this will not continue indefinitely. For years now, many patients' allegiances to particular physicians, especially the vaunted family doctor, have weakened. As the enormous cohort of baby boomers reached adulthood and moved away from home, they had to abandon the physician who had taken care of them since the day they were born. Also, the mobility of Americans has made longstanding relationships with physicians impossible. It is rarer and rarer that a physician knows a person's medical history from firsthand experience and not from the medical record.

Still, the cultural memory of the attentive, avuncular, house-calling family doctor persists, and it is this memory—not the reality that most of us are not as close to our doctor(s) as we were in childhood—that feeds the anxiety about restrictions in choice of physicians. This is not to suggest that many of us are dissatisfied with our current doctors; rather, it is that we are not so tied to them by history that other issues will not intervene.

---

<sup>1</sup> Staff model HMOs are organizations in which physicians are employees of and work exclusively for HMOs.

## A NEW PARADIGM FOR DOCTOR/PATIENT RELATIONS

The development of information about the performance of health plans and, in time, specific physicians in the plans, will dramatically alter the relationship between the patient and his/her doctors. We are rapidly approaching the time when we will be able to make real comparisons among doctors on clinical ability, bedside manner, and even the time patients must wait to see them. Patients select their doctors for many different reasons, some of which have little to do directly with the ability to prevent or cure illness, but this widely available consumer information will likely lead to a significant reshuffling of patient priorities in the choosing of physicians.

I suspect that, initially, many patients will change doctors, as consumer satisfaction and other surveys reveal more than negligible variations among doctors. In time, as doctors modify their behavior in response to consumer preferences, movement will occur less often. What is important here is that even general consumer information on health plans will engender a different patient mindset: They will be able to make decisions based on reliable information about plans and physicians, and that will challenge today's already weaker allegiances to our doctors. The irony is that, in time, patient demand for solicitous primary care doctors may bring back the days of the family doctor.

## COST AND CHOICE OF PHYSICIANS

The other variable, of course, is cost. We have an overwhelming crisis in health care because the middle class feels it is paying too much for health care. The problem is that the Clinton proposal will increase that cost in exchange—the administration's pitch goes—for security. Whether the pitch will work is debatable, but any major change will force a cost consciousness on consumers the likes of which we have never seen in health care. This, along with consumer information, will further change the dynamics of choosing providers. We may be surprised by the number of patients who decide that the extra cost of a point-of-service plan is not within their family's budget.

These comments are obviously more hunches than proven truths. And they should not be construed as opposition to allowing patients the freedom to choose physicians and other providers if they are willing to pay more. But given the wide choice many managed care organizations now offer, weaker allegiances to family doctors, the new power many consumers armed with good information will feel, and the cost of venturing outside the network, policy experts may be surprised that complete freedom of choice of physicians will not be the patient priority that surveys suggest it is.

© 1993