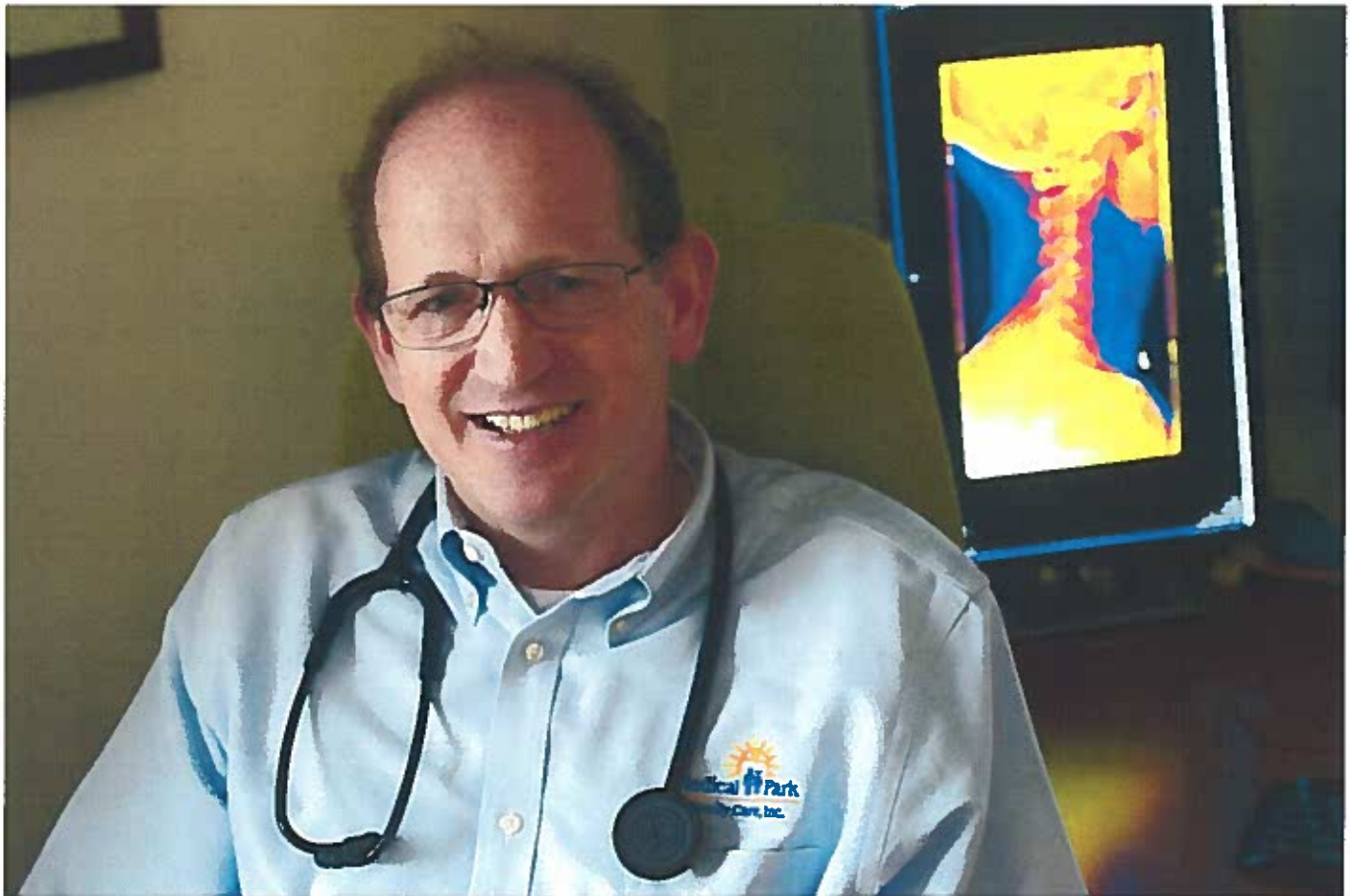


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Opinions

A doctor's quest to remain human inside an insane medical system

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Dr. Noah Laufer is president of Medical Park Family Care, Inc. (Erik Hill / Alaska Dispatch News)

When I wrote about Alaska's extreme health care costs last week, I received more than two dozen emails from readers with their own horror stories about encounters with the system's weirdness. Many of them were doctors.

"For a patient, it's a couple of times a year. For us it's all the time," said Dr. T. Noah Laufer, president of Medical Park Family Care.

Besides taking care of patients, his real love, Laufer runs a small business with more than 70 employees. A business that never knows how much it will be paid for the services it provides.

[How health care costs are bleeding Alaska dry]

Other small businesses set prices, sell services based on those prices and then collect those fees. But for doctors such as Laufer, each patient visit is just the beginning of a huge paperwork exercise, often with a back-and-forth war of attrition with health insurance employees that ends with an arbitrary amount of payment.

"They make their money off us with a million and one petty ways to deny payment," Laufer said. And this daily battlefield has gone digital. "We use computers to meet their deliberate befuddling techniques," he said.

Medicare, for the elderly, pays the least. Medical Park Family Care still sees patients after they turn 65 but won't take elders as new patients because the clinic loses money on each visit. Medicaid usually pays break-even fees, Laufer said. Private insurance pays the most, although each company pays a different amount.

As for people who have to pay on their own, Laufer said the doctors try to work something out. They have long-term relationships with their family practice patients and try to be aware of their financial issues.

But generally in our system, those who don't have insurance are charged the highest prices, as much as 10 times what a hospital or medical practice would receive from an insurance company or the government. A doctor (not Laufer) told me prices usually are set to exceed the maximum amount they could hope to get from insurance, knowing each charge will be marked down.

This is a key flaw in our health care system. It's not just that the prices are unknown. The prices are fantasies. A crazy tangle of laws, programs and companies determines different payment for each person for each procedure according to an invisible logic that no one understands. The linkage of cost to price is gone.

The forces that make markets work — supply and demand, competition and price transparency — don't exist here. For doctors with their own practices, it's a strange world in which to work. You can't make a normal business plan. Laufer doesn't know the percentage of bills that are paid. He just hopes the numbers magically work out at the end of the month.

The clinic can't afford health insurance for its own employees. Like many other small businesses, it self-insures, with a policy for catastrophes, and has sometimes faced massive losses for major illnesses of its workers.

Laufer emphasized that he doesn't want anyone to feel sorry for him. He loves being a doctor and makes an upper-middle-class income. But he chose his career because he loves caring for people, and the system threatens that.

The clinic's doctors could work for a big company. Laufer said a hospital has expressed interest in taking over. A typical family practice doctor steers some \$20 million worth of business a year through his or her decisions, a rich source of billings for a hospital. But the doctors don't want to work for a big company. They like working for their patients.

"It's not about economics," Laufer said. "It's being able to have autonomy and do what's right."

Laufer grew up in the practice he now runs, in a brown concrete block building among the birch trees at Lake Otis Parkway and Northern Lights Boulevard in Anchorage. His father was one of the original doctors there in the early 1970s. As a boy, Laufer went into exam rooms and watched doctors helping people.

He especially remembers being 6 or 7 years old and accompanying his father on a house call to an old man who was dying — and who did die. But he died well because Laufer's father was there.

Laufer met his wife, Michelle, in medical school, and together they accumulated \$480,000 in student loans, which they paid off only after Noah was 48 years old. The money came partly from patients at Medical Park transferred from doctors who had once treated him like a son — patients the older doctors didn't want to give to anyone else before retiring.

Family practice doctors make among the lowest incomes of any specialty. Laufer's office shows evidence of that, with old, unmatched carpet and well-worn furniture, not at all like the granite counter tops and frosted glass I saw at an orthopedics office.

But the satisfaction makes up for it. Laufer knows 85 percent of his patients well. He tries to know their whole families. He said his success or failure can't be judged without looking at the health of the generation that follows the patients he cares for.

The best medical visits happen when a provider sizes you up by how you look — he or she knows you that well. And tells you you'll be OK. Most of the time, people get better without medicine. Laufer and his colleagues like sending patients home without a prescription, even though there's no money in it.

They're a dying breed. The health care system is a voracious money machine made of huge companies and massive bureaucracies.

Human beings left alone have caring impulses. Laufer and his colleagues are trying to give their lives to the sick and, while making comfortable incomes, not get rich. We've built a system that is making that close to impossible.

Whatever the solution is, we need to return to the roots of why we care for one another. I'll keep that in mind as I search for answers over my future columns on health care.

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Charles Wohlforth's column appears three times weekly. A lifelong Anchorage resident, he is the author of more than 10 books, and hosts radio shows on Alaska Public Media. More at wohlforth.com.



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