

Sanders Aims Bill At HMOs

Vermont Press Bureau

MONTPELIER — Rep. Bernard Sanders, I-Vt., warned Monday that some big, new health care companies were putting profits ahead of patients, and he said he would introduce legislation designed to protect patients' interests.

Sanders said his bill would prohibit the use of financial incentives or penalties to try to get doctors to restrict medical care.

He also said it would bar so-called "gag rules" that prohibit doctors from giving patients certain information.

Finally, the bill would require public disclosure of specific information that would help patients assess their health care company.

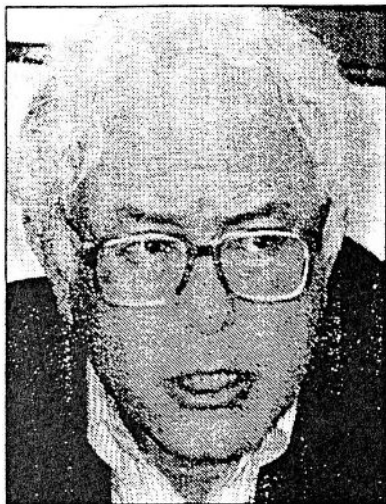
As part of the drive to control rising medical costs, many doctors and patients have joined health maintenance organizations or so-called managed care networks. Instead of paying doctors for each service provided, these HMOs or managed care networks typically pay doctors an annual fee for each patient.

The purpose of the change was to eliminate the financial incentive for doctors to order tests and other treatment that might be unnecessary or of limited value. However, Sanders said Monday that some HMOs now were offering doctors incentives to hold back on services.

"Many HMOs use what are essentially 'fee-for-denying-service' systems, which pay doctors for denying care and penalize them for providing it," he said. "Doctors under some plans lose up to 50 cents of compensation for every dollar they order spent on emergency care."

Sanders said his bill would prohibit HMOs from offering such incentives or from forcing doctors to assume a financial risk for treating patients.

Judith Mann, an Essex psychologist, and Jan Trepanier, executive director of the Vermont Psychology Association, joined Sanders at a



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news conference here.

They both said doctors and other health care providers were afraid to complain about the requirements being imposed by some HMOs.

Mann said she and her husband had recommended more intensive treatment for two teenage girls they were counseling who appeared to be suicidal. But the girls' HMO rejected the recommendations, and Mann said the denial of the more expensive treatment had tragic results: both girls did attempt suicide.

Mann said after she asked the Vermont Department of Banking and Insurance to investigate the HMO's decision, she and her husband were dropped from the HMO network.

Mann said her colleagues were giving up their practices because of the pressure from the HMOs.

"People are afraid to speak up," said Trepanier.