Letter from Chicago

Relative values

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Since time immemorial surgeons have earned more money than physicians and procedures have commanded larger fees than so called cognitive services. Thus in 1987 American surgeons earned an average of $350 000 a year in Medicare fees but general practitioners merely $50 000. The average reimbursement was $3500 for a coronary bypass, $900 for a hysterectomy, $500 for hernia repair. But a comprehensive medical consultation was worth $80, a psychiatric exam $50, and a visit to a general practitioner $20. Conceivably society has long thought that the surgeon accomplishes something, as does the endoscopist, whereas the internist and psychiatrist just stand (sit) there and do nothing. After all many patients treat themselves just as effectively without ever seeing a doctor. But who would dream of taking out his own gall bladder?

But lately the cognitive doctors have risen against what they perceive to be an unfair system. They believe that the government, if not society as a whole, should recognize that cognitive work is at least as valuable as cutting out a diseased organ. Hence a 2000 page report by Professor Hsiao explaining how surgeons' efforts are worth less and internists' are worth more. Ordered by congress and sponsored by the health department, it reflects the work of the professor's team at Harvard Public Health School. It is based on surveying 2000 doctors in 18 specialties and then extrapolating to 3000 procedures. These were subsequently classified on a relative value scale according to time spent, mental effort, judgment, technical skill, physical effort, psychological stress, time spent in training. It is a complex work, highly praised, released at a splendid press conference, and published in detail in *JAMA* and in the *New England Journal of Medicine*. It does not, however, take into consideration experience, native skill, or talent. Though claimed to be non-monetary, it could easily be adapted to a weighted payment system.

If put into effect it could change income by 40-70% in each direction. A thoracic surgeon's earnings could go from $350 000 to $200 000, a general practitioner's from $50 000 to $80 000. Response was enthusiastic from internists and general practitioners, cool from radiologists and pathologists, even icier from surgeons, who said that they spent more time, required more skill, and paid malpractice premiums from five to 10 times higher than the internists did. The American Medical Association came out in support of the plan. Not everybody agreed but all praised the effort, especially the government officials. Yet Medicare's chief, while sympathetic to addressing perceived iniquities, remained doubtful. Though agreeing in principle that the present system was weighted in favor of procedures, he worried that major changes in reimbursement could limit access to care for Medicare patients, or lead to secondary changes in the frequency or intensity of services that might further inflate the present $24 million annual doctors' bill to Medicare. Furthermore, he noted that the relative value scale system did not take into consideration the benefits or appropriateness of certain services or procedures. He also questioned whether it was worth while making an effort to change the fee structure when the main problem, that of rising costs, remained unaddressed. He also pointed out that the

government had other options, including lowering fees for operations and procedures, without raising internists' fees. Which is what some of the cynics had foreseen all along.

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