SPECIAL REPORT UNION OF AMERICAN PHYSICIANS & DENTISTS

An Interview with Stanford A. Marcus, M.D.

BY SIMSON L. GARFINKEL

Dr. Stanford A. Marcus is a retired surgeon and President of the Union of American Physicians and Dentists, who believe that fee-for-service medicine should be abolished in the United States and replaced by a system in which every physician is paid an annual wage based on experience and social worth.

What is your union?

We are the Union of American Physicians and Dentists. We are a registered trade union, registered with the U.S. Department of Labor, and have been in business since April 18, 1972. We operate in 13 states. Our numerical base is mostly [in the Western part of the country].

Who are your members?

They are physicians in all practice settings: fee for service, government service, salaried by organizations such as [health maintenance organizations], and insurance companies. They are all practicing physicians.

How many members do you have?

Forty-eight thousand nationally.

You have a proposal to revamp the way that health care is paid for in this country. What is it?

Actually, it's not as grandiose as that. I don't feel that I'm competent enough to make a whole new system of health care. What has been decided is that there will be a whole new system of health care [in this country], and that the financing and distribution of this will differ diametrically from what existed up until 10 years or so ago.

"As a doctor gains experience, increasing his value to society, his salary should reflect an approach to that of Larry Bird more than that of a freshman congressman."

My concern is with the role of the physician as the ultimate hands-on provider of health care, and as the designated responsible party who gets sued when things go wrong.

[Physicians] find themselves in an awkward catch-22 position. As they undergo this drastic transformation from small entrepreneurs, in what was essentially a cottage industry, into impersonal providers in a new, large corporate or government enterprise, the role of the physician is being redefined, much to the pain of practicing doctors.

There are essentially two things that doctors want and need in order to keep up their motivation. One is the autonomy of professional decision making, if you will, that enables them to maintain the pride that has brought them up to the present time.

The other is a purely socioeconomic consideration, where they are not so ground down and devalued, both financially and in their status in society.

What do you mean by that?

I think that there has been a great tendency to minimize the fact that when the chips are down, it is not the insurance company or Department of Health and Human Services or any of their other functionaries who operates to make sick people well—it is still the doctor. The buck stops on the desk of the doctor. . . . [Yet] the doctor is no longer free to say what treatment can be administered, how many units of service can be rendered, where the service can be rendered, and how much will be paid for the service.

Do you mean that all of these decisions are being made for the physician?

That's right—or, indeed, whether the payment will be even be made at all. Sometimes there are demands for repayment for treatment that was rendered in good faith. Subsequent review by some other, uninvolved party actually compels repayment of money that was legitimately earned.

How often does that happen?

Frequently. This is not to say that there are not some crooks in medicine. We make no representation that we are saints, but we think that our ethical conduct is higher than the average member of Congress. We don't see why we should be singled out for this new sort of denigration.

What do you propose to do?

I think that rather than scrambling for coins, as we are presently doing in the death throes of our fee-for-service system, and going through the indignity of the American Society of Internal Medicine, for example, trying to outscramble the surgeons, and somebody else trying to outscramble the primary-care physicians. I think that a decent socioeconomic worth for doctors ought to be determined.

By whom?

By whomever is imposing this system on us. Increasingly, this is government, represented by legislatures and courts, and the health-insurance industry, which has reached the stage of becoming a shameful cartel, and all of the other people who are scrambling to get their hands on a piece of what they consider to be the lucrative health business.

I don't want doctors to have to be economic players in this, except to assert that we have a worth—somewhere on the scale between that of day laborers and Larry Bird of the Boston Celtics.

We want to be able to negotiate our worth at a bargaining table, on the basis of terms that people can understand. . . . But we can't even start the negotiating process while we are fighting to see if we can get an extra 50 cents for an electroencephalogram. . . . Those minuscule considerations are pure cost and have nothing to do with quality of care.

I think that when we graduate as doctors, we probably should start from

STANFORD A. MARCUS, M.D.
President, Union of American Physicians and Dentists

a level playing field. We think that the initial worth of a doctor, turned loose in the marketplace, is roughly equivalent of a freshman congressman. So a starting salary should be in the neighborhood of $87,000. As [a doctor] gains experience, increasing his value to society, his salary should reflect an approach to that of Larry Bird more than that of the freshman congressman.

This will liberate doctors from this terrible little game they are playing of marketing, and running ads in the yellow pages, and tying in sales of test and office dispensed medications, and that sort of thing.

Who would pay this wage?

Whoever presently pays for it. Doctors who until recently have received 18 cents of the national health-care dollar should not be ground down to smaller and smaller percentages but probably should get a more realistic percentage of that dollar.

An example: a physician finishes his internship and sets up a one-man practice in a small town in the Midwest. Who is going to pay him $87,000 a year?

The answer, of course, is that the involvement of the state and federal government is coming. . . . Massachusetts already has a paid system of state-sponsored health care; the federal government has several bills introduced; the state of California has several bills introduced into its legislature. Even the august *New England Journal of Medicine* has proclaimed that nationalized health insurance is an idea whose time has come.

I don't think that there is any dispute that we are on the brink of a totally new system of financing. I am merely saying that the system should not be established on the basis of the erroneous impression that you can continue to pay for it out of the only compressible segment of health care, which is the earnings of the physician.

Everything else reaches its irreducible minimum: You cut down on hospital payments enough and a hospital will close—it's happening every day. You can deny health care to enough people, [until people start fighting back, when they] realize that their mother might have lived a few years longer had the system not pulled the plug on her, so to speak.

But I don't want doctors to be the rationers: our job is to make people well. We are not gods to proclaim who should live and who should die. We just work to ease suffering, and [help people] who want to live a little longer.

Do you feel that it is more appropriate for physicians to set the wages of physicians than other people?

Yes. Let's put it this way: there was a time when a worker had nothing to say about his wage, hours, or working conditions, and it led to such exploitation—sweat shops and child labor—that the country was forced to rise up and, out of simple fair play, enact a series of labor laws to give the worker some sort of equitable representation and negotiating input.

Now I am not, under any sense, representing doctors as being a downtrodden minority. [But under the fee-for-service system] our union represents doctors who have been denied due-process rights that are customarily granted to ax murderers: the right to be judged by their peers; the right to be advised of the charges against them in advance of a kangaroo court; the right to a transcript of a hearing; the right to be represented by an attorney; the right to cross-examine their accusers.

You would think that those things would be automatic, but they are specifically being denied to doctors. Those are the things that we fight against as a union.

Are we saying, "Should doctors determine their own wage?" The answer is "no." But all of life is transactions, all of life is negotiation.

Please turn to page 39

Sept. 89
15

PHYSICIANS' MARKETPLACE

nearby. Service area 500,000 plus. Will remain till September to introduce. Phone (915) 542-3336.

WELL ESTABLISHED. solo practice in Internal Medicine in Las Vegas, Nevada. I can retire when I find someone to take care of long time loyal patients. Please write: C.J.Kilduff, M.D., 2100 Maryland Parkway, Las Vegas, Nevada 89104 or call (702) 735-2434.

WIS. UNOPPOSED ALLERGY PRACTICE. Thriving practice in growing city of 50,000 in metropolitan area of 800,000. Major educational, cultural, recreational facilities. Gross over $300,000. Will introduce. Allergy SC, 217 Wisconsin, Waukesha, WI 53186

ORGANIZATIONS

PRICE is an organization whose goal is to facilitate communication of research efforts, clinical observations, and practice innovations among physicians involved in cost-effective medical care. Interested physicians may gain membership by submitting a letter of interest and a c.v. Contact David J. Shulkin, M.D., Physicians for Research In Cost Efficiency, 926 Bellefont St., Pittsburgh, Pa 15232

CONTINUING EDUCATION

TUTORIAL COURSES OF INSTRUCTION IN ACUTE CARDIAC CARE. University of Miami School of Medicine, Miami, Florida. Dates of courses: SEPT. 18-23, 1989; OCT 16-21, 1989; DEC 4-9, 1989; JAN 22-27, 1990; FEB 26--MAR 3, 1990; APRIL 16-21, 1990; MAY 21-26, 1990.
Contact: Louis Lemberg, M.D., University of Miami School of Medicine, Division of Cardiology (D-39), P.O. Box 016960, Miami, FL 33101. (305) 549-6411

PUBLICATIONS

INTERNISTS: Review medicine in an enjoyable manner using mnemonics. Improve recall of journal articles and textbook material. Write Harbinger Medical Press, PO Box 17201, Winston- Salem, NC 27116 for catalog of publications.

Physicians' Union

Continued from page 3

In the 17 years of our existence, we have gotten back over $100 million from insurance companies [and other institutions responsible for funding medical services]. Within the past year, we have gotten back $17 million from the state of California, and $9 million from the city and county of San Francisco, for the doctors that we work for, in addition to standing up to the Blue Cross/Blue Shield outfits who have made it fun and games not to pay doctors.

We're not a bunch of rich doctors trying to get richer. I'm living in a split level home in a suburb that looks like Levittown. I have never aspired to drive a chain of Mercedes or have a country home on the south shore of France. But I think that what I do should be worth more socially then what an awful lot of people get paid handsomely for. Bit by bit, they have negotiated their worth upward: no forum has been established for us to have any input into the determination of the worth of what we do.

I have been a general surgeon throughout my career. I have been a very unique general surgeon: I have felt strongly that the imbalance in earnings of the cognitive specialties that has evolved has been something that has come about by happenstance and opportunity, rather than by the actual value of individual practitioners to society. So while I don't think that we all ought to be paid exactly the same, under some sort of monolithic system, I think that we all should start out at the same starting gate and have the same opportunity to advance ourselves, as in some sort of civil-service system.

I could never see the logic of a cardiac surgeon making three-quarters of a million dollars per year and a pediatrician working his tail off in a ghetto office for perhaps $55,000 a year. That will be redressed. But it should not be redressed in a game of take-away against each other, because then we will be turned into a bickering group of individuals on the basis of nothing but self-interest. We should be freed up to do our best, and be paid handsomely, on a wage schedule that enables us to concentrate on getting sick people well, rather than on beating out the other specialties or the other practitioners.