

Don Watza, CEBS, Medical Economist

Faith, Hope, Love, Prudence, Justice, Fortitude, Temperance

Category: Healthcare White Paper Research

The white paper has two parts.

- Part one reveals the underlying problem with healthcare that no one is talking about.
- Part two of the white paper is the solution set, ask for a copy.

Wondering Why Trump Was Elected?



I've been silent since the Donald Trump election because I've been shocked at how many people haven't a clue about why Donald Trump was elected by people like me. My apologies to anyone who might be


upset, please provide your comments here so I can learn about you. My hope is to offer, in [This LinkedIn](#) repost, one explanation long before election day why I voted for Trump.

I'd love to stir up a discussion so I might learn if my post is new information if I'm miss informed or if this is not relevant and why.

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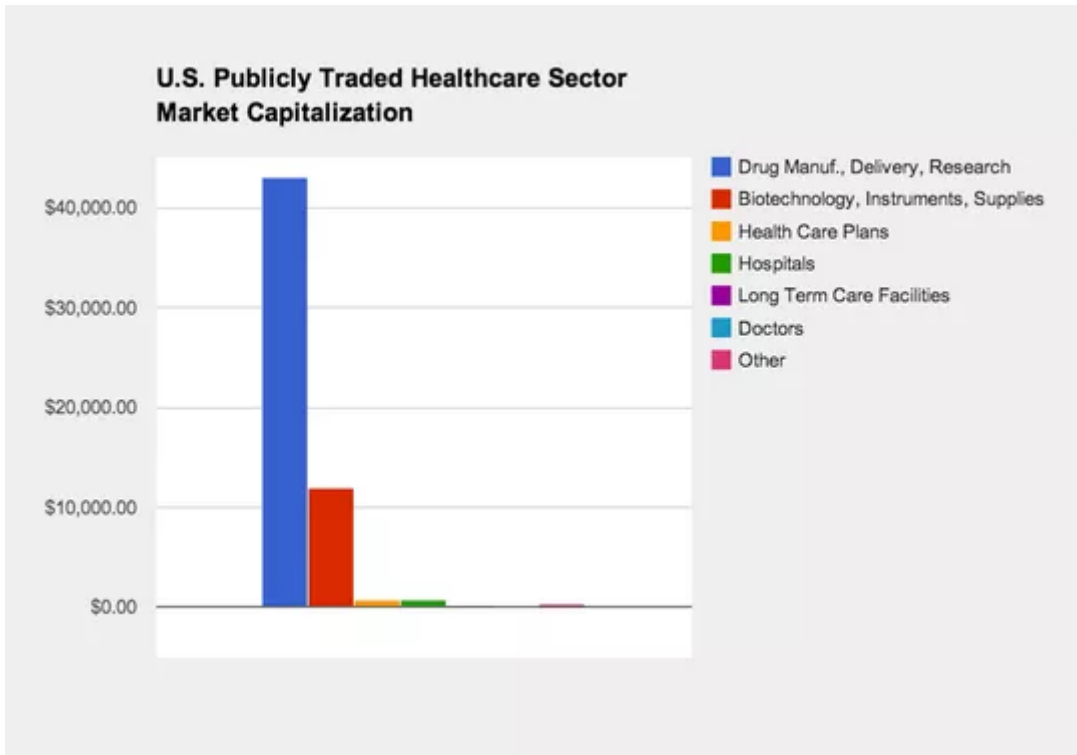
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 Don Watza / January 9, 2017 / Benefit Management, Employer Obamacare ACA, Healthcare reform, Healthcare White Paper Research, Owners / cost, Government regulations, independent thought / [Leave a comment](#) /

Market Capitalization

It looks like the doctors have actually done a good job of staying out of the for profit business, or have they? Pharma is heavily involved in the stock market, much more so than hospitals and doctors. Pharma is driving our entire healthcare system.



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Adrianna Czostkowski / March 9, 2016 / Benefit Management, Healthcare White Paper Research /

Economics Profit

Researchers have found that there are incentives to research products that can yield a profit, for example, pharmaceuticals. It was also found that more than 80% of the NIH’s funding is awarded through almost 50,000 competitive grants to more than 300,000 researchers at more

than 2,500 universities, medical schools, and other research institutions in every state and around the world. The NIH controls the funding and research done and it tracks exactly pharma. Money for research goes to places where money can be made. There is not nearly as much money to be had to researching homeopathic remedies when they can produce the exact same outcomes.



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Profit Motive

“First, the slippery slope isn’t flat even at the beginning. It all starts almost immediately. As social animals we humans learn quickly from our peers, colleagues, and friends. We learn very fast in response to the internal and external pressures to produce income. I recently

counted nearly 6000 advertisements for primary care in the United States on a leading online clinician recruitment site.”

That is what physicians said about the early days in practicing. There are pressures within and outside of the health care system to produce profits. This is something that has been advised against since the 1960's.



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The Science of the Pharmaceutical Industry




Physicians subscribe to the science of the pharmaceutical industry. It's the only thing they know and it's their only continuing education. If physicians have more education about things outside of the pharmaceutical industry, then they will be able to produce the best outcomes possible. We need to be encouraging our physicians not to conform to flowchart medicine. We can encourage them to develop and promote alternative therapies. We have identified in our work, "locked docs", those who'd like to practice differently, both medical care and health, but the current system has them stuck.

Physicians have little choice but to listen what pharma tells them. They are locked into the current system and we need to break them out, encourage them to practice medicine their own way.

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Google Global Ad Policies

Healthcare and medicines

What's the policy?

Google AdWords restricts the promotion of healthcare-related content. We have different requirements for advertising healthcare-related products based on the content that you're advertising and the country that you're targeting. Be sure to read both our content restrictions and our country-specific restrictions.

Here are some of the kinds of content we restrict under this policy:

Prescription drugs

In most parts of the world, Google does not allow the use of prescription drug terms in ad text, landing pages, or keywords.

- If your campaigns do not target Canada, New Zealand, or the United States, you may not use prescription drug terms in ad text or landing pages.
- For campaigns targeting Canada, New Zealand, or the United States, certain businesses such as online pharmacies and pharmaceutical manufacturers may use prescription drug terms in ad text and landing pages. These businesses must be certified by Google in order to serve ads -- see [how to apply](#) below.


See a non-exhaustive list of [prescription drugs](#) or active ingredients that are monitored under this policy.

Google has very strict rules regarding the advertising of pharmaceuticals. Only certain countries are allowed to,

implying that other countries have laws against the advertising of pharmaceuticals. Why do so many countries have such strict rules against advertising pharmaceuticals? In our arrogance, we have convinced ourselves that we are smarter than everyone else in the world. Maybe it is time to take a leaf out of someone else's book.

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Making a Profit with Pharmaceutical Advertisements

Pharma's advertising has a massive impact on the sale and prescription of drugs. Prescription medications are heavily influenced by advertisements. Prescriptions for drugs with direct-to-consumer advertising had sales of nine times greater than those without in 2011. Physician practice patterns are influenced and they can't practice the medicine they'd like if patients end up self prescribing.



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Economics Advertising

Pharma spends an unprecedented amount of money each year on advertising. They own the market, and alternate medical care, such as homeopathy or chiropractors, have virtually no chance of being anything other than fringe medical care.


Over \$3 billion was spent on advertisements for pharmaceuticals in 2012. This amount is almost equivalent to the amount spent by Obama, Romney, Apple, and McDonald's in 2012. Homeopathic remedies generate less out-of-pocket revenues in a year than pharma spends on advertising in a year. This is not even close to a level playing field. What chance does homeopathy and other alternative forms of medicine have when competing against pharma's \$3 billion advertising budget?



Pharmaceutical Advertisements

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Medical Economics


It is difficult to untangle precisely why prices are higher in the U.S., but two things are apparent: U.S. physicians get higher incomes than in other countries and the U.S. uses more expensive diagnostic procedures. More generally, with so many different kinds of insurance, no one organization has a strong incentive to cut out wasteful practices and ensure that all Americans get value for the very high levels of expenditure incurred when they are sick.

The issues with our healthcare system cannot be traced to just one cause. To get the change we want, we will need to reform almost everything. I know this sounds scary, but it's the only option. In the US, physicians get paid more than in other countries, and with so many insurance companies, there is no incentive to cut down on waste or ensure high quality care.



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Finances and Medical Economics


“It is at least claimed that treatment is dictated by the objective needs of the case and not limited by financial considerations.” If the best option is to go see a homeopathic doctor or chiropractors or simply healthy living, then a physician ought to direct his or her patient to those options rather than continuing to prescribe unnecessary pharmaceuticals. But, as we have seen, there is very little money to be had in alternative medicines. The only option doctors have to keep

their heads above water is to direct their patients to pharma. If they aren't willing to do it, then someone else will.



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Further Treatment and Medical Economics

“Advice given by physicians as to further treatment by himself or others is supposed to be completely divorced from self-interest.” In an ideal world, a physician should always provide the treatment that is in the best interest of the patient. How is this possible with pharma breathing down their necks and patients coming to them to ask about


a specific drug, rather than allowing the physician to make the best decision for them.



Doctor Holding Pills

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Advertising and Medical Economics


“Advertising and overt price competition are virtually eliminated among physicians.” Nowadays with each doctor pressured to have as many patients as possible, both by Obamacare and profit motive, price competition is intense. The best doctors can charge vastly inflated prices, and the rest are left treating more and more patients in order

to get their paycheck. The end result is a massive portion of the population being treated by only a portion of the doctors.



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It's Not Working

The first step of solving a problem is understanding what the problem is and its causes. We understand what the issues are. If we know why prices are going up, then why can't we bring them back down? It is completely possible. If we can remove the factors which are driving up costs, then those costs should and would fall. Healthcare will always remain expensive, but our current rate of growth is unsustainable and needs to be addressed.



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What is the Future Going to Be?

We have three choices. We can continue to spend more and more money. We can refuse to pay any more money and force the system to change. Or we can begin to cut back on the massive increases of the last 30 years.

No matter how you measure it we don't look very good in the world of healthcare and it's time to admit it's not working, no matter what we try.


WHAT SHOULD WE DO, WHAT QUESTION IS WORTH ASKING?

WHAT IS OUR FUTURE GOING TO BE?



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Economics

A few illustrations will indicate the degree of difference between the behavior expected of physicians and that expected of the typical businessman.

Advertising and overt price competition are virtually eliminated among physicians. Advice given by physicians as to further treatment by himself or others is supposed to be completely divorced from self-interest. It is at least claim that treatment is dictated by the objective

needs of the case and not by financial consideration. The physician is relied on as an expert in certifying to the existence of illnesses and injuries for various legal and other purposes. It is socially expected that his concern for the correct conveying of information will outweigh his desire to please his customer.



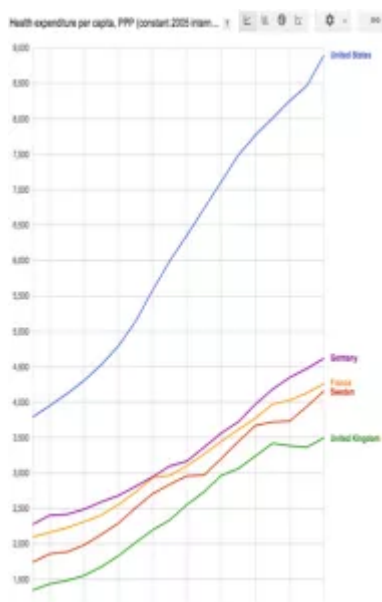
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The Economics of Health Care

Look at the massive disparity both in price but also in growth between US and other countries. None of the “solutions” of the past thirty years have had any impact on this massive problem. So we began looking for an answer and we think we can do something about it.



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Physicians, Do More with Less

When we asked physicians, given unlimited time to spend with a patient, for instance, if you had the same income for a year and only 4 patients, would your patients be healthier? 100% said of course. We're asking physicians to do more with less, the rest of the system is devouring them, it's crushing physicians under its weight. Physicians are the first line of defense against sickness and injury. So why are we hamstringing them?



too many patients

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Our Self-Contained, Self-Centered, Self-Biased, Closed System


Having better health is good, but better health should not be sold as the way to lower cost. There's no more proof that it will work better than when we introduced PPO, HMO, FSA, MSA, Consumer Driven Healthcare, HSA, or other insurance gimmicks. Medical care and health are a two different paths. The medical care system does not lead to health, without changing public policy, ads, science and profit motives we won't EVER have health. And, the promise of focusing on

health is a distraction intended to make you think the carriers, government and providers have it handled – they don't.



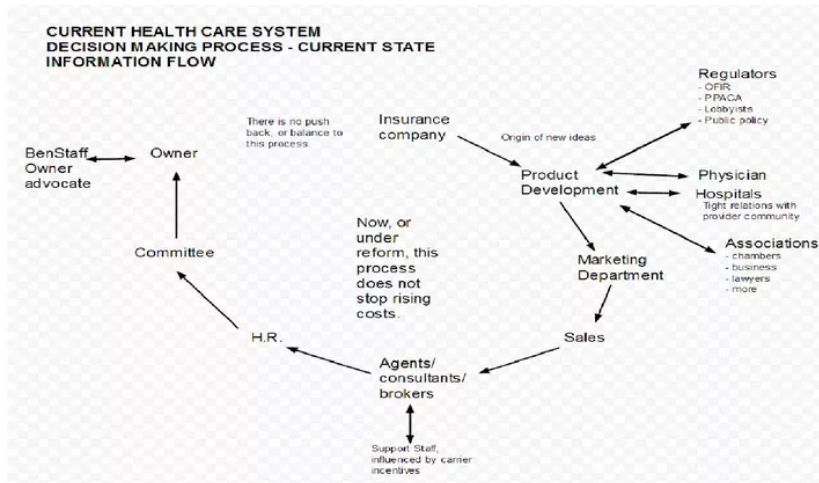
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Our Closed System

Take a look at the complexity of our healthcare system, and this is just the relationship between the owners and the insurance company! It is no wonder that it is hard to identify what the main problems are in our system. Allow us to help you navigate the jungle of healthcare. We are the owner's advocate, not the insurance company's advocate.



We don't get input from other countries or methods. We don't allow "new" to permeate the way we do things. As proof, consider

the venture capital "Blue Print Health" spent \$2.3mm and only 17% was spent on anything "new" in the last year or two.

It's all new ways of doing our way of medicine, it's not introducing innovative solutions. We look to hospitals and pharma to solve the problem and they provide only solutions they can sell.

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Have You Heard Enough?


For thirty years, the experts have said nothing but, "We're going to bend the trend". HMOs, PPOs, FSA, MSA, CDHPs, HRAs, Health, and

now Obamacare have all been presented as the solution, yet none of them have done anything except delay the inevitable. Sure, There are pockets of success, but overall, no real sustainable success has been found. They haven't even identified what the real problem is. We have, and we think that we have found a solution as well. We are trying to repair the flaws in our healthcare system, but we cannot do it alone. Help us help you.



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Variations in Healthcare are Increasing

When will you figure out what I've known for years? No one's got this. You're on your own, the owner must engage if there's to be hope for a better healthcare system.

Even proponents of government healthcare don't want Obamacare, there's no shortage of candidates running from Obamacare, but there's been some successes. Successes and failures by government are wins and losses for politicians and not long term gains for the system of healthcare we all want and need. This is America, the land of the free and the brave. Where's our fight? It's right here at home.

Let's get our generation motivated to fix this and not kick it down the road any further. Frankly, in the it's all about me society we have, there's some things coming we should embrace. Teledoc, iPhone apps, long distance care, more rubric based medicine to take care of the more mundane tasks and diagnosing.

Here, ADP has examined what's wrong with health care, again, missing the points I'm going to make here.

Please realize, no one has the solution. The only way it's going to happen is with the owners engaging with their dollar vote now. Here's a tip, stop paying an increase. Just stop paying it. Say no. Say no on behalf of your business AND your employees. Your consultant will get much more creative if you do. Tell them, I've heard all this, and this Don guy says I can just say no. If they can't help you, fire them and find another.



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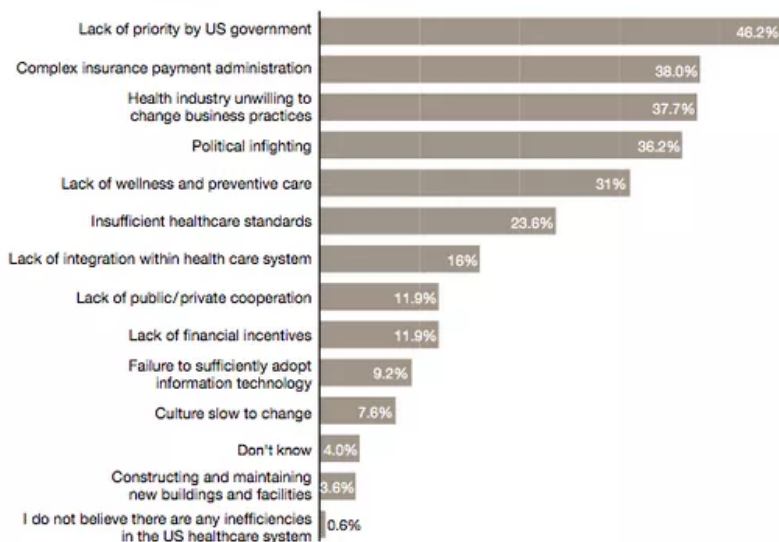
What Haven't We Tried?

Let's return to our PwC experts, and take a look at the items they're discussing.

Isn't all of this the current system, some variation of what's already been tried?

Can you imagine how many companies PwC panders to in order to get business? would they sacrifice an arm in order to help the system? I'm here to tell you no they won't. This is how the money influences, and it's in everything in healthcare.

Exhibit 7: Consumer perceptions of barriers to reducing inefficiency



Source: Analysis by PricewaterhouseCoopers' Health Research Institute

It takes someone small like me, with knowledge like me, someone whose self interest is so small that I have, relative to PwC, nothing to

lose. That I might as well go out with a bang!

I can remember being at a federal reserve meeting where everyone could point to the problems I'm going to propose as solutions, they all saw it, but no one wanted the solution to be proposed by their organizations because it would mean more work. But, more than that it would mean sacrificing the relationships that support or are connected to their own business. So, in a way, the current system is stuck on itself – by definition, it is the system.

There's nothing on this chart that will be innovative – PwC and their experts are looking in the wrong place – all 140,000 employees, all the creative solutions... nothing. Wow, if that doesn't get your attention, it gets mine. These are my peers who work for a well respected firm.

So, let's talk about the "system we do have".

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Defined Contribution

Consultants and health care insurers are disconnected from medical providers and science. The insurers don't challenge health, science or research. They take what is approved by the FDA or licensing bodies as their guide for approving payments. There is no push back on the system. You're told to just pay more. There is no check and balance to science, endless-profit-motivated-research.

Physicians are informed only in as much as they receive instructions for diagnosing and treating conditions the science community can solve. Pharma is one area today that's obviously a problem because it's solutions have alternatives that should be considered before pharma is involved. On the heels of pharma is FDA approvals for medical devices, biomedical science and engineering is exploding and is expected to eclipse pharma in cost, it too has no governor or check and balance.



As an example, later, we'll see where venture capital funds go.

The only connection is at the physician office at an insurance company. This office is in charge of making sure policies are up to date with approved science – there's no challenging.

Employers and, more importantly, Americans need an ally, and the most likely one is employers.

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The Distraction of Health

The promise that health will lower costs is a distraction intended to make you think that insurance providers, carriers, and the government have solved the problem.


They haven't. They don't have a clue about bending the trend, they're not in it for that reason. To them, bending the trend means less pay.

Health will not lower costs and the people who are pushing health as a solution have not solved the problem and don't want to solve the problem. It is up to us.



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What Have We Tried? Health



Who can argue the logic of being healthy? Health does have some good outcomes, but the McDonald's Big Mac is popular. True health will never be a reality without massive lifestyle changes throughout our country. Many people try as hard as they can to be healthy, but many more people love fast food and 64 ounce drinks and free soda refills at every restaurant.

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Keeping Healthy People Healthy



Health is the latest “solution” in the healthcare world. Currently, consultants and insurance companies are pushing health as a cost-cutting option. “Keep the healthy people healthy” is helping to bend

the trend, this is working for many employers, according to D. Edington from the University of Michigan. But, this is not a way to bend the trend or fix more urgent needs that need to be fixed. If 85% of people are not a factor in cost today, meaning 15% of people generate 80% of costs, then making some healthy over others who are unhealthy isn't magically going to bend the trend. Being healthy is intuitive, but not cost saving.

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Countervailing Effects of Obamacare

The Affordable Care Act foresees the widespread implementation of payment reform focusing on value. Paying for value, bundled payments, incentives for population health in local communities, and accountable care organizations may all mute financial conflicts of interests. However, ACOs may sometimes produce countervailing effects: increases in local physician and hospital market power, increases in standardized “cookie-cutter” medicine, and decreases in learning as physicians become captive.



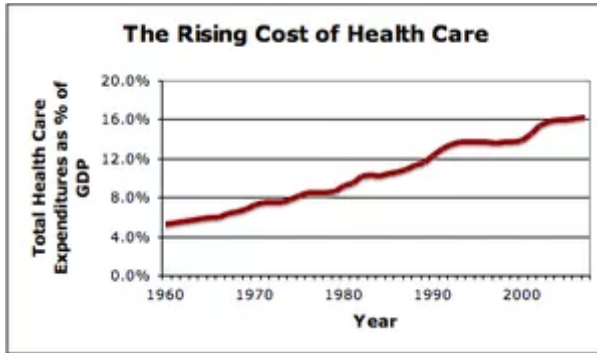
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The Reality of Obamacare

Clearly, Obamacare is not going to halt the trend of rising prices in healthcare. Obamacare is completely in shambles. Even those who supported it don't want to receive healthcare under it. Blame is being thrown all around. Obama is blaming the Republicans, and the Republicans are blaming him right back. This will NEVER result in lower costs. The end result, indeed the only possible result, will be rising prices and rationed medical care.



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What Have We Tried? Obamacare

Obamacare's substantial new subsidies for third-party insurance look likely to increase cost pressures, not decrease them. The spreading passivity among private doctors will undermine innovation and adaptation, and thus also hinder improvements in the quality of care for patients. Obamacare is increasing costs, undermining innovation, and reducing the quality of care for patients. These are all going to have an extremely negative effect on the health care system.



Obamacare:

**INCREASING
COSTS**

**UNDERMINING
INNOVATION**

**REDUCING THE
QUALITY OF CARE**

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Setting the Stage for Obamacare

Providers were often restricted from trying new approaches to organizing and financing coverage and care, most consumers did not have the power to choose among real options, and failed price-control systems in massive federal programs persisted despite a proven inability to control costs. In sum, American healthcare before Obamacare was very far from a genuine marketplace.

Obamacare is not the only problem. Our healthcare system was broken before as well, Obamacare has merely exacerbated the problems.



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Government Failure to Plan

The government has mismanaged healthcare on every level of government, from city all the way up to the presidency. The government does not have the solution.

It's a human issue, not a political one. Politics will not solve this.

In the 1980's, Conservatives ended health planning. Over many decades, we've had government mismanagement. Obamacare isn't

going to fix it, in fact, it may intentionally have been planned to break what was working.



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What Have We Tried? Consumer Driven Health Plans

The common misconception about consumer driven health plans are that the employees drive health care.

The only people with real control are the owners.

Consumer driven health may have helped in the 80s, just as health may help today.



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Wellness in the Workplace

Wellness programs are believed to be effective in controlling costs, yet prices are still rising at levels “consistent with the last several years.”

Employers are finding it’s working, but it’s not affecting cost. Why?

The chronically ill are going to be ill and often times look for an exit strategy. It’s why supplements for “diet” have gotten to be such a big problem. With all the research, we should have better evidence for and against exercise, diet- meaning specific foods- like organics, before or pre-pharmacy options. The “magic pill” should be tried after intensive therapy and diet.

We do have obesity issues, so having wellness is intuitively a good idea. But then why do plan documents not reward health? I mean, let's put in a walking program, running or other exercise before we do surgery or drugs. We know behavior modification comes with intensive personal visits. Let's not try pills and side effects first, let's try exercise, mental health, and diet coaching.



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Wellness

In a survey done by the Kaiser Family Foundation on 2013 Employer Health Benefits, they found that fifty-five percent of large firms (200 or more workers) and 26% of smaller firms offering health benefits report offering biometric screening to employees.

A biometric screening is a health examination that measures an employee's risk factors, such as body weight, cholesterol, blood pressure, stress, and nutrition.

Of the firms that do offer biometric screening to employees, 11% of large firms require employees to complete a biometric screening to enroll in the health plan; and 11% of large firms report that employees may be financially rewarded or penalized based in meeting biometric outcomes.

Biometric screening could be a valuable tool to get employees better coverage for lower prices. However, rarely do firms require them. Imagine if firms did require them, how much they would be able to save their employees in the long run.



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Ending the Epidemic

If primary care doctors understood that the risks may outweigh the benefits when opioids are prescribed long-term for low back pain, headaches, and fibromyalgia, they might offer safer and more effective options. Imagine if dentists understood how similar OPRs are to heroin, I bet you that they probably would not be giving teenagers 30 tablets of Vicodin after getting their wisdom teeth removed.

In order to promote more cautious prescribing, clinicians must have an accurate appreciation of opioid risks and benefits. For this to happen, prescribers must have access to education and training programs that are free of the misinformation that has driven over prescribing.

We need to re-educate physicians to get them to understand the risks involved with getting heavily involved with pharma.



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The Science Behind Pharma

According to the CDC, we are in the midst of the worst drug addiction epidemic in United States history and more than 125,000 lives have been lost from OPR overdoses over the past decade. Our government is not set up to manage our pharmaceuticals, research, and testing. It set ground rules, and then left.

We were responding to an education campaign (funded by opioid manufacturers) that minimized risks, especially the risk of addiction, and exaggerated benefits of using opioids long-term for common problems. The public has been led to believe that the appropriate way to treat any complaint of pain is with an opioid prescription and we have been badly misinformed.

While the CDC is urging the medical community to reduce our prescribing of opioids, especially for patients with chronic non-cancer pain, the FDA continues to approve new, easily crushed, high dose opioids. Moreover, the FDA allows these drugs to be promoted for common problems like low back pain, where long-term use of opioids may be neither safe nor effective.



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Is Pharma Helpful?

Dustin Moss, a writer for *The Huffington Post*, wrote an article about the current veteran suicide rate, which was found to be 22 per day. In this article, he said, “Suicide rates within the veteran population often were double and sometimes triple the civilian suicide rates in several states...Almost one out of every five suicides committed nationally is a veteran. These numbers are even more concerning when the fact that military veterans make up only about 10 percent of the adult population in the United States.”

Despite the massive prevalence of psychotropic drugs, those who are most at risk, suffer at a high rate.

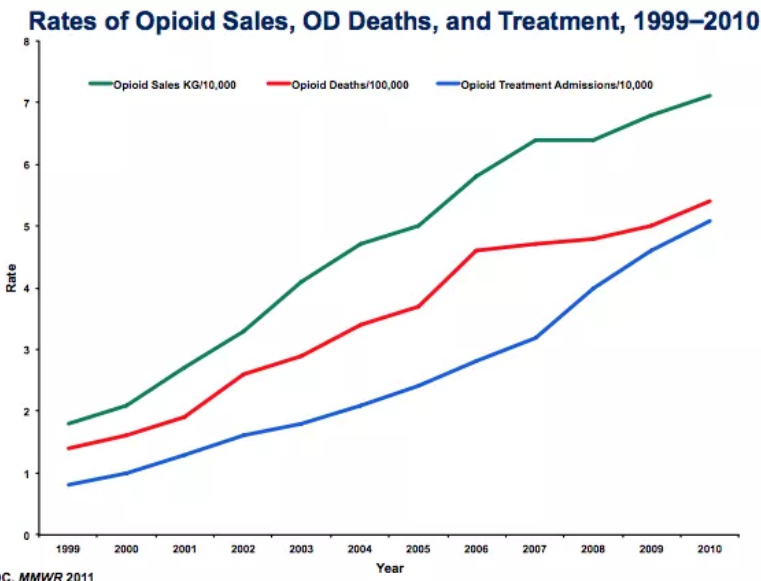
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Did Pharma Lower Hospital Costs?



Presented to Congress in 2014 this report on opioid over prescribing is just one example of a broken healthcare system.

Commonly, in group analysis, 4 of the top 10 drugs are psychotropic- mental health, mind altering in some way, shape, or form.

Yet, there are at least 22 veteran suicides a day?

Did you know that depression has a solution that is not pharma? Do you think that your doctor or your loved one's doctor is getting the best information? And if they aren't why might they not be?

Three decades ago the pharma payment system at BCBSM was small, very small. Drugs were a small part of health insurance. The justification for spending more on Pharma was to lower hospital costs. Well, it turned out to be that both hospital and pharma increased over time, showing little savings.

Pharma tried to solve problems but didn't. Pharma is 30% of cost and much of the negative influence in healthcare today. Read this Senate report and think about how what's happened to opioids could be translated to other drugs?

We're providing more detail in the next 50 posts. Continue to follow us as we lead you to understand our white paper.

[Andrew Kolodny statement to US Senate caucus on narcotics.pdf](#)

[US senate Caucus report May 2014 nps70-061014-04 \(1\)](#)

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Difference Between HMOs and PPOs

The relative difference between HMO and PPO or other plans is less than 15%.

There is virtually no reduction in cost over time. In some cases, there is a percent savings, and some of that is artificial between plans owned by large companies offering different products.

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What Have We Tried?

Pick which of these “carrier driven consultant driven directions has been successful at bending the trend as they have been telling you they will do.

Every new carrier and agent, consultant/broker brings with it the same solutions.

For instance, in the 90's and up to today, you've been sold CDHP, HMO, PPO, POS and other plans. In the kaiser 2012 survey of plans (KFF Employee health benefits survey, chart ref. pg 2), the price difference from lowest to highest is barely over 15%. If one solution was superior wouldn't you expect it to be bending the trend by now and saving money?

As a specialist in pricing of plans, I can say, there's never going to be some special plan that is going to make a difference unless we fundamentally agree the system needs changing. No more plan dejour, career dejour, government dejour or consultant dejour. Roll up your sleeves and get messy!

Continue to follow us and our posts as we outline our research to prepare you for better understanding of our coming white paper.

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“Solutions” of Healthcare

Over the past 40 years, there have been many times that many have tried to come up with a cost-saving solution for healthcare.

In the 1970's, it was Medicaid and Medicare. In the 1980's, HMOs and PPOs. 1990's, HIPAA and Flexible Spending Accounts. In the 2000's, HSA's and HRA's and in the 2010's Obamacare and Defined Contribution.

From that list above, have any been a successful cost-saving solution? The answer to that is no. None of those options have worked. 40 years worth of solutions from the brightest and best have not worked and these are the people proposing today's solutions that won't work either.

We have done research that we will be sharing with you over the next 50 posts. We're laying the groundwork for our white paper that proposes real solutions that are not being talked about.

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Stop Doing the Same Old Same Old

Stop doing the same old same old because it's guaranteed to continue the rate increases.

Keep reading our posts and wait for our white papers. All of our posts will be on donwatza.com under the category “White Paper Research”.

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Adrianna Czostkowski / September 3, 2015 / Healthcare White Paper Research

A Message to Top Owners- Rationing is Coming

But, alas, you likely have a consultant who solves your problems. They don't have it covered. None of them.

PwC, they're among the best in the world, this is the best thinking on healthcare we have, your consultant isn't any better or doesn't have better resources. Yet, what's happening and what they're telling us is the same old, same old. This is what scares me and it should scare you. There is no, none, zilch, notta, creative bone in these people's bodies. If there was, I wouldn't be the only one telling you what I'm about to say (my coming white paper has the answers). I'm not disparaging them, this is as much a wake up call for them. They will listen to you when you have your checkbook out. Try it.


If we don't do something now, neither you, nor I will want to be healed under the system that is coming. In the end, regulators will have no choice. There will be a budget and expenses that don't match. Economics is like gravity, the expenses will limit spending – that day is most assuredly coming. It will be rationing of care. The elite will be able to get private pay care but what about your kids, your mom, cousins, employees, favorite uncle, they all will be under the rationing system.

Consider that private pay care will not be as good as a unified system that I envision is possible and far superior to what we have now. This is where there's truly a fix. Consider a day where research means the consumer, us, knows what is the best solution to solve a problem we might have. We know because research is thoroughly vetted. That pros and cons of research is researched, new ideas are embraced and vetted, new therapies from around the globe are tested and embraced. If the apple is the best remedy, that's what you'll take, not necessarily a pharmaceutical drug.

We need a better framework, we need more openness and we need to embrace innovation from anywhere, and everywhere. Look for my coming white paper.

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 Adrianna Czostkowski / September 1, 2015 / Healthcare White Paper Research /

About Don

Personal story of sickness in 2009, not just from the economy, but my health was bad. I saw a homeopathic doctor at the urging of my cousin. I went, had skepticism, but needed help. Desperate to do something different than I was being told, I changed my ways and lost weight through exercise and changing my diet. When I told my personal physician that I lost more than 15 lbs, he reacted to my now lower cholesterol, stating I wouldn't need lipitor or its generic. For the previous many years, I had never been told that clearly that losing weight equals no meds. Maybe it's me but that started the beginning of a lot of questions.

Then, the family and I traveled to Italy, Switzerland, Germany, Paris and London and enjoyed 32 days mucking about in Europe. Very nice, but with my illness I continued to have urgent bathroom needs. I joked with my kids that I'd need a bathroom at the ready in case I had a "reaction" to any food. Not once did I have a reaction. Why? What was so different that I could spend a month, 32 days in Europe without one interruption to my day? This really got me to wondering about our food supply, our method of educating people about diet and what diet really meant.

We are what we eat makes sense, but to see it in a country, and to compare to our own costs and obvious problems – our healthcare

system is an oxymoron, it's the greatest medical care system but not the greatest at health.

Does it make sense that everyone sees this but our medical community? Or, do they? Since my illness, a MPH helped me explore through research and meetings, how doctors felt about these same issues. In these meetings, I routinely asked doctors about their feeling about nutrition, diet, drugs, education and other topics pertaining to health. Without exception, these doctors mostly felt locked into the current system, there is no alternative for them. No matter where they practice they are locked into the same rubric, planned, evidence based medicine.

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 Don Watza / August 26, 2015 / Benefit Management, Healthcare White Paper Research /

About Don

So, who am I, and why are you listening to me?

My first day in healthcare was July 7th, 1986. I was hired as a new college grad and reported to a senior executive at BCBSM, he was my mentor. He was a former teacher and like a teacher gave me instruction. He said to me, “never forget that the health care business

is common sense.” I’ve never forgotten this and so, here I am 30 years later telling you that you should wade into the waters and push buttons on this is how it’s always been done.

Well, it’s time for common, or as Mitch Albom says, not so common sense.

Ask questions, do what owners do, don’t take no for an answer and let common sense guide you. Owners have more common sense than most people so I’d expect you can adopt my first boss’ instructions and if you need help pushing, or getting your way and you think you’re getting bad answers as you push through the no’s – call me. It’s now my personal passion to motivate and accelerate meaningful change. Not just for you as an owner, but for all those employees who are stuck, all those docs who are stuck. I see a bright American future for healthcare, but it won’t be bright without owners making a push, together.

Join me, I’m all in if you are. Don’t settle for the ridiculous healthcare system we have now. You’ll see the ridiculous as we talk in these coming slides, let these be the reasons that tell you anything is possible.

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 Don Watza / August 20, 2015 / Benefit Management, Healthcare White Paper Research /

Key Areas of Clinical Waste

Still not convinced? You've engaged employees, they have a stake three times in this game. Once for their share of premium, then their copays then finally, their actual physical health. We are living a mess because you've not stood up and done something.

Look, even your employees are saying, "we can see there's a problem with the system." 73 percent of employees have been saying increased demand by patients drives up costs. 66 percent of employees say overused diagnostic testing drives up costs. 65 percent of employees say that they have received excessive treatment.


This is all excess. Everyone agrees that there is waste in healthcare spending, now the problem comes with identifying what that waste is. Health industry leaders focus on what they can control, which is eliminating waste in their own organization, but because of the nature of the healthcare industry, these efforts become counter-productive very quickly. To address the waste that the consumers are seeing, industry leaders, policymakers, and consumers **must** work together on their goals and incentives to address the waste that affects us all.

Continue to follow us and our posts as we outline our research.

<http://www.docstoc.com/docs/83479521/The-price-of-excess-Identifying-waste-in-healthcare-spending-%7C-PricewaterhouseCoopers>

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 Don Watza / August 18, 2015 / Benefit Management, Healthcare White Paper Research /

Average Health Insurance Premiums

It's no shock to many that insurance premiums have increased in the past several years. When is enough enough, when are you finally going to say, you've had enough? Now? Later? You've all been complaining about the increases, and BenStaff is offering a solution that's not easy, but incredibly real and robust.

Everyone in the industry is asking that question, it's the reason no one has an answer, it's the reason, absent any direction, we're going to get government run health care that none of us will want.

Under government run healthcare, you will have rationing, maybe not for you as an owner, you'll find yours with private pay doctors. Your friends and relatives and you will be subject to inferior health care because it's not about the money! It's about the process, that's what has our "system stuck".


I'll show you in a short period of alternatives, some requiring public policy changes, yes, we have to engage in politics to change our course. Yes, you'll have to roll up your sleeves and begin to adopt new strategies for your employees. Dropping coverage and moving to 100% Obamacare will look attractive today, we're helping employers today shop the government market, there's a 15% relative value increase to do that, but there's a net savings to employers. This is only temporary relief not permanent.

If all of this frustrates you, contact us today and let us help you make the most of your healthcare plan.

<https://kaiserfamilyfoundation.files.wordpress.com/2013/04/8345.pdf>

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 Don Watza / August 12, 2015 / Benefit Management, Healthcare White Paper Research / healthcare /

We Aren't Getting Our Bang for Our Buck

We spend twice as much and we don't live as long

Exhibit 1: U.S. ranks poorly in health system efficiency

Relative ranking	Australia	Canada	Germany	New Zealand	United Kingdom	United States
Life expectancy	1	2*	4	3	4	6*
Infant mortality rate (per 1000 live births)	2	2*	1	4	4	6*
Tobacco consumption	3	2	6	4	5	1
Obesity (%)	3*	2	1	4*	5	6*
Avoidable deaths (Per 100,000)*	1	2	3	4	5	6
Health expenditure per capita, 2015	\$3,126**	\$3,326	\$3,267	\$2,330	\$2,724	\$6,401

All information is being from 2015 OECD data unless otherwise noted.


*2015, 2013-2014 World Health Organization Data. Avoidable deaths is defined as deaths caused by treatable conditions left undiagnosed and/or untreated.

**2014 OECD data.

Source: Organization for Economic Cooperation and Development, World Health Organization, analysis by Prostatehouse/Cooper's Health Research Institute

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 Adrianna Czoszkowski / August 6, 2015 / Benefit Management, Healthcare White Paper Research /

Healthcare Spending in the United States

“The issue is particularly acute in the United States, which not only spends much more per capita on health care, but also has had one of the highest spending growth rates.”

By now, it should not be a shock to you that the United States spends much more per capita on healthcare compared to other countries and the fact that it has had one of the highest growth spending rates. The two biggest problems we face today are the already inflated cost and the uncontrolled, unchecked, unbalanced, runaway rate of increase to that cost.

In addition to higher health spending, the United States is increasing its spending faster than other countries. As you can see from the graph, the United States has a significantly accelerated growth rate compared to many other countries. The combination of a high level of per capita healthcare spending in the 1980's and a high growth rate between the 1980's and 2008 resulted in the high level of per capita spending that we now see in the United States.

The difference between the spending in the United States and other countries should encourage people to take a further look into what people are getting for their healthcare dollar. In the United States, it isn't clearly seen. While in other countries, the results of what they pay for their healthcare can be clearly seen across the country. We have done research that we will be sharing with you over the next 50 posts. We're laying the groundwork for our white paper that proposes real solutions that are not being talked about.

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 Adrianna Czostkowski / August 4, 2015 / Benefit Management, Healthcare White Paper Research /

Identifying Waste in Healthcare

“In an increasingly global economy, the inefficiency of the U.S. health system ranks poorly. The U.S. spends nearly twice as much per-capita on health than

other industrialized nations without a corresponding gain in outcomes, according to the OECD.”

In April 2008, PwC hosted the 180° Health Forum in Washington D.C. and brought together representatives



of government, regulatory bodies and the nation’s largest hospitals and health systems, health insurers, and pharmaceutical and life science companies to seek new approaches to solving some of the health system’s most difficult problems.

Through their research, they found that wasteful spending in the health system has been calculated at up to \$1.2 trillion of the \$2.2 trillion spent in the United States. They also found that some of the biggest areas of excess are defensive medicine, inefficient healthcare administration, and conditions that are preventable with lifestyle changes.

PwC also found three key “wastebaskets” that are driving up the costs of healthcare:


- Behavioral- where individual behaviors are shown to lead to health problems
- Clinical- where medical care itself is considered inappropriate

- Operational- where administrative or other business processes appear to add costs without creating value

If the \$1.2 trillion of wasteful spending were eliminated, that would be over half of the health care costs eliminated. Compared to other countries, the United States is spending nearly two times as much with no clear outcomes. Make sure you are aware if your healthcare costs are going into one of those three wastebaskets, and if they are, contact us today and let us help you make the most of your healthcare plan.

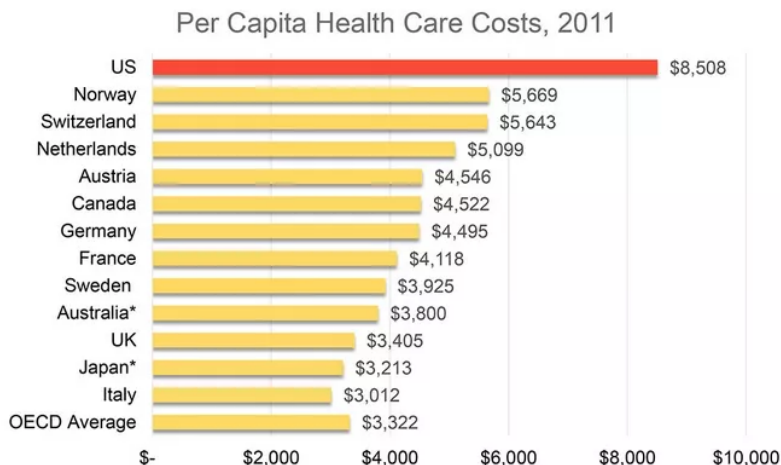
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 Adrianna Czostkowski / July 30, 2015 / Benefit Management, Healthcare White Paper Research /

2011 US Health Care Spending More than Twice the Average for Developed Countries

The United States spends \$8,508 per person on health care costs. That is two and a half times more than the average of \$3,322 for OECD countries. America also spends about 50 percent more than Norway, the next largest per capita spender. At George Mason University, the Mercatus Center found that healthcare spending will consume about a



Source: OECD Health Data 2013.
 Data note: Figures are adjusted using purchasing power parity in dollars.
 *2010 data is used for Japan and Australia, for which 2011 data are not available.
 Produced by Veronique de Rugy, Mercatus Center at George Mason University.

fifth of the US economy by 2021.


What are the consumers getting in return for this? Results cannot be seen that all of this spending is being put to use

in a way that will benefit the people. The healthcare industry should be about the consumer and wanting to do what’s best for them, not large corporations making huge profits at the expense of the consumer. The US Government and the healthcare industry must start separating which part of these costs are actually buying the consumers better health outcomes and which part of these costs are government intervention in the health care market.

<http://mercatus.org/publication/us-health-care-spending-more-twice-average-developed-countries>

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 Adrianna Czostkowski / July 28, 2015 / Healthcare White Paper Research / healthcare, OECD /

Psychology of Food

An American Food Journey

People should be put ahead of profit. I'm a business owner and would like more profit, but not at the expense of people. Well, that statement will send people zooming to another site. But, some read-on and those are the one's ready to hear the message.

Are you still reading? That's amazing. I'm not making a mass appeal, but I want to make the connection for people that our food profits are costing us more in healthcare premiums. Yep, our food system is making profit and sending people to the hospital in record numbers. Think it's not true follow my [white paper – owners health initiative](#).

25 years ago

my sister Patti said to Linda and I, we should drop sugar. Really, I said, what kind of hair brain idea is that I thought? Instead of engaging in a meaningful conversation over a bowl of ice cream, I, just like most people, did the only rational thing. I ignored her. We went on to talk about the kids, hers, mine weren't born yet.

Okay, so I demonstrated what I call the psychology of food. What do I mean? Food is one of the last places of freedom. I mean, no body is, or was, going to tell me how or what to eat.

Don't tell me what to eat

Americans do not want to be told what to do and food is a place where individuals can exert their independence.

Who's against that? I'm not,

but, if you're premium is increasing because people are being diagnosed with obesity as a disease (recent health news – see today's google search image).

[Social Security Disability and Morbid Obesity | Disability ...](#)

www.disabilitysecrets.com/conditions-page-2-45.html ▾

The Social Security Administration (SSA) defines **obesity** as a chronic and complex disease that is characterized by excessive accumulation of body fat. **Obese** ...

[Obesity Is a Disability, Says EEOC - DiversityInc](#)

www.diversityinc.com ▸ [Diversity & Inclusion](#) ▾ Diversity Inc ▾

The EEOC now says that obesity is a disability under the Americans with Disabilities Act Amendments Act, after courts had rejected **obesity as a disability** under ...

[Morbid obesity is a disability. Employers should start treating ...](#)

www.washingtonpost.com/.../obesity-is-a-disability-e... The Washington Post ▾

Dec 18, 2014 - Job interviews are an uncomfortable experience for most people. But for people like me who suffer from morbid **obesity**, they are especially ...

Disability is now a disease

For a limited number of us, obesity is a hereditary issue, but for most Americans I think our food production system and profit is the problem (conservatives did you leave?). I've recently watched "Food, Inc." and you should too. Then, I watched Aziz Ansari, comedian, poke fun at food but makes a good point. I merged both together into a 3 minute clip on food, watch for it on the [Ben-TV channel](#) (once I get their approvals to use their video). Or just watch them, their both on Netflix.

If obesity has an ally who or what would it be? If there is such a thing as an ally to obesity who wants that? Maybe a better way of thinking is, who is the enemy to obesity?

Not just my opinion

Our government makes bad decisions on topics like this. They don't use science, they use popular, attractive notions to sooth the public (liberals did you leave?). Well, the public is you and me and if obesity is covered as an illness watch out for the coming tsunami of cost baked into your premiums. As a medical economist I guarantee you this recent policy change will increase our costs. Over the last 28 years in this business I've watched awful public policy and we're not changing the way we make decisions and everything we try to legislate isn't working. And, frankly, neither party is offering suggestions (did conservatives and liberals leave now?)

Is anyone still reading?

Trusting politicians and political decision making with our healthcare, medical system and food system is not a solution.

The problems in this country can be viewed in many ways. If you're liberal big company profit is bad. If you're conservative, pandering to the poor and lazy is bad. Really? Are these the only positions? While the off the chart right and left argue the problems just get bigger.

Obamacare is not solving the problem and never will and republicans don't have an answer.


I like my [white paper – owners health initiative](#).

Oh, what about my health?

Fortunately, I have a great internist and a homeopathic Doc arrangement that is working quite well. I struggle with weight but otherwise am in good shape (for those using the numbers, I'm a BMI of 28, not great but okay). BTW – I did drop sugar and other things. Oh, about those movies, last summer we dropped regular chicken in favor of what Linda and I call, “happy chicken.” If you watch the video's or my clip if gets approved, you'll drop unhappy chicken.

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 Don Watza / March 13, 2015 / Healthcare White Paper Research, Healthy Initiatives, Independence, Medical Economics / food, independent, independent thought / [Leave a comment](#) /

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