

Employee Benefit News

Individuals don't have adequate leverage for consumerism to thrive, execs say

By Chris Silva | Jun 15, 2007 | 526 words, 0 images

Consumerism cannot succeed unless the nation's top two purchasers of health care - private employers and the federal government - demand that individuals have electronic access to their information and stop doing business with providers who don't comply, according to executives from Intel, Google and Microsoft, who participated in a panel discussion on consumerism during the World Health Care Congress in Washington, D.C., this spring.

"The biggest thing we need is for the consumer to have a legal right to their data," Adam Bosworth, vice president of Google, told the audience during his keynote remarks. "To be able to say, This is my data that is floating around the system. I have a right to this data electronically and the right to control this data as I see fit."

Craig Barrett, chairman of Intel, said inefficiencies in the health care system's payment structure also have stymied consumerism. The system is oriented toward two payers - employers and the government - both of which haven't been proper advocates for consumers, Barrett said.

"[Employers] have been relatively AWOL with using purchasing power," he asserted. "So we haven't driven consumerism ... let's face facts. The consumer has no purchasing power. Until the employers say, We pay half the bills. You're going to do business our way or not do business with us,' or until HHS [Department of Health and Human Services] does the same thing, we're stuck in gridlock."

Be like banking

Barrett used the banking industry as a blueprint for what the health care industry should be like, noting that today, if a bank doesn't have ATMs, customers almost surely will take their business - and their money - elsewhere. Almost anybody can travel anywhere in world and withdraw money from an ATM and see their account balance on a printed statement. Health care, said Barrett, needs to get to that level.

Bosworth predicted that once consumers attain the purchasing power leverage necessary to invoke change in the medical industry, such change is inevitable.

"When [consumers] demand action, I think you'll see very, very quickly those doctors that don't deliver electronic support for those actions will be replaced by people who do."

Federal aid

All three panelists agreed to an extent that the federal government needs to be involved if consumerism is to increase.

"The government has to be part of the solution, but they're also very scary," remarked Peter Neupert, corporate vice president for health strategy at Microsoft. "HIPAA is all about the portability of information, and it got exactly the wrong outcome," he said, in reference to the Health Insurance Portability and Accountability Act of 1996. The law, which requires national standards for electronic transactions, has created confusion and trepidation in the industry rather than providing the clear guidance it intended.

The government needs to make it clear that data transfers to consumers are OK, and that it's a good thing for consumers to control their own health information, said Bosworth.

"The shocker to me over the last year and a half was discovering how much the system is mitigated the other way."