

# BOOK REVIEWS

## Follow The Money

by J.D. Kleinke

***Total Cure: The Antidote to the U.S. Health Care Crisis***

by Harold S. Luft  
(Cambridge, Mass.: Harvard University Press, 2008), 318 pp., \$27.95

Are you sitting down? I have in hand a 318-page health care reform plan that could actually work. Really.

Harold Luft's *Total Cure* is a calm, fearless leap across the abyss of health policy cynicism and the greatest of improbabilities: a comprehensive, detailed, and practical CTRL-ALT-DEL for the U.S. health care system.

The simple genius of Luft's plan is its harnessing of the simple truth about the U.S. health care system: money talks and ideology walks. If we want to change the way health care works, we need to change how we pay for it. Unlike the legions of Don Quixotes who try to shout or shame health care into submission (myself included), Luft works with the system as he finds it, not how he wishes it to be. He has listened to the embittered words of each health care stakeholder type; acknowledged the conflicts of interest that define the decision making of each; and accepted that self-serving economic, political, and psychological behaviors are the drivers of a \$2.3 trillion system at war with itself since the introduction of the third-party payer.

Not that *Total Cure* is a page turner. An oddity among its peers, it is a health reform manifesto devoid of passion, judgment, or outrage—but if given the chance, it is potentially

revolutionary. Luft understands that such a belated revolution will require an abandonment of partisanship and an embrace of both pragmatism and realpolitik. *Total Cure* does not opt for a government solution or a free-market solution. Rather, it aligns perfectly with the laws of economic and political behavior, the way an engineering text aligns with the laws of gravity.

Luft has clearly been paying attention and has turned what works worst in the health care marketplace (and regulatory community) on its head. His plan expands the role of government in a paradoxical way, interposing it precisely (and only) where health care markets have failed—for example, by creating a national risk pool, outlawing medical underwriting, and mandating evidence-driven coverage for medical catastrophes. At the same time, *Total Cure* introduces true personal responsibility for much of our routine and predictable medical care, while simultaneously expanding equity and driving toward universal coverage. Luft proposes an individual mandate coupled with highly progressive subsidies for the poor, while allowing employers to continue funding coverage and tinkering with health plan design at the margins. Finally, *Total Cure* provides an explicit, elaborately argued revamping of the provider payment system, using a combination of outcomes-based reimbursement and consumer choice.

A core idea underpinning Luft's proposal is obvious to anyone over the age of forty who has ever tried to buy individual health insurance: we do not have a coherent, functioning health insurance industry; we have an illness

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insurance system smashed together with a health care discount purchasing program. Luft identifies the massive fault line running beneath what we used to call, quaintly, a “fringe benefit.” On one side of that line are major acute episodes, expensive and (mostly) necessary interventions, and chronic diseases; on the other are routine acute care and preventive services. The first group is expensive and prone to the actuarial laws of big numbers; the second is not, and constitutes a convoluted, inefficient buying club that invites our health insurers and employers not just into our medicine cabinets but also into our bedrooms.

Running perpendicular to this fault line, the panoply of insurance accounting mechanisms such as deductibles, copayments, coinsurance payments, and out-of-pocket maximums are applied arbitrarily during a benefit year, independent of medical need, context, or appropriateness. When it comes to our cars and homes, we long ago figured out the difference between insurance against disaster and personal responsibility for wear and tear; we lost our way in the 1940s when we granted tax-deductibility to all corporate health spending, embedding employers and their legions of health care careerists into the whole mess and then compounding it with niceties like cosmetic surgery, recreational MRIs, and Viagra.

For the illness care system (which constitutes roughly two-thirds of medical spending, according to Luft’s analysis), all Americans will be driven by market economics and the law of large numbers into a universal coverage pool, or UCP. For those without insurance, and for employers that wish to return their focus to their actual businesses, the UCP would mandate participation and guarantee coverage, providing defined (but evidence-driven) benefits for major and chronic illnesses, thus eliminating medical underwriting. Voila—real insurance! A radical idea indeed.

Actually, most of Luft’s ideas are not radical at all. His proposal of mandated big-ticket coverage through a universal pool is a cornerstone in proposals by Sen. Max Baucus (D-MT), former Sen. Tom Daschle (D-SD), and my

own plan in *Oxymorons: The Myth of a U.S. Health Care System* (Jossey-Bass, 2001), which had the astounding fortune of being published three weeks after 9/11 and the same week that mail going to Capitol Hill was halted by the anthrax scare. Not that it mattered. Health reform was hardly on the agenda for the Bush administration in 2001, busy as it was undoing our civil liberties and fabricating reasons to invade Iraq. But if the past eight years have taught us one thing, it is the high social and economic cost of partisan politics. Along with a deregulated financial system now on government life support, the current health system may be one of the greatest victims of partisan irreconcilability. This is what *Total Cure* seeks to cure most: our chronic illusion that health care’s systemic problem has a red or blue political solution.

If Luft’s transcendence of the single-payer versus free-market *über alles* debate confounds both the left-wing idealists and the right-wing ideologues, it will prove equally maddening to health care’s army of professional cynics, nitpickers, and naysayers. Luft not only is unafraid of the details but seems to revel in them. He has clearly sat through more than his share of health care “roundtables” and heard every criticism of every good idea ever suggested; and he preempts them all in *Total Cure* with often painstaking counterargument.

Lest we miss Luft’s sense of the historicity of this health reform moment, he refers to the average Americans navigating his revamped system as “Harvey and Louisa.” Luft’s echoing of the names “Harry and Louise” (from the 1993 insurance lobby ads against the Clinton reform plan) makes a serious point, however: we blew it then, for good reasons or bad; let’s not blow it this time.

If the election of Barack Obama as president signifies nothing more than the depth of our desperation to fix what has been broken for too long, then the zeitgeist we need for health care reform may finally be upon us. And Luft’s *Total Cure* is just what the policy doctors on Capitol Hill will need: a wise, postpartisan, durable shop manual for how to make health reform actually happen in our time.