

The End of Managed Care

C. Stephen Foster, M.D.

The Journal of American Medical Association (JAMA) published in May 2001 an article by James C. Robinson, PhD entitled "The End of Managed Care" [1].

The author discussed multiple aspects of health care management and its changes over the period of time. He emphasized that managed care embodies an effort by employers, the insurance industry, and some elements of the medical profession to establish priorities and decide who gets what from the health care system. After a turbulent decade of trial and error, that experiment can be characterized as an economic success but a political failure. The strategy of giving with one hand while taking away with the other, of offering comprehensive benefits while restricting access through utilization review, has infuriated everyone involved. The protagonists of managed care now are in full retreat, broadening physician panels, removing restrictions, and reverting to fee-for-service payment. The author further emphasized that governmental entities are avoiding politically volatile initiatives to balance limited resources and unlimited expectations. By default, if not by design, the consumer is emerging as the locus of priority setting in health care. The shift to consumerism is driven by a widespread skepticism of governmental, corporate, and professional dominance; unprecedented economic prosperity that reduces social tolerance for interference with individual autonomy; and the Internet technology revolution, which broadens access to information and facilitates the mass customization of insurance and delivery.

Reference:

1. Robinson JC: The End of Managed Care. JAMA 2001, volume 285, pages 2622-2628.