Mental health professionals rip ‘totalitarian’ managed health care

by Marianna Wertz

The National Coalition of Mental Health Professionals and Consumers, Inc. was founded in November 1992 to expose, regulate, and replace managed care. Its members include professionals from all mental health fields, as well as a growing number of consumers and consumer advocates. Headquartered in Commack, New York, it has 18 state affiliates and is waging a nationwide battle against managed care. The coalition can be reached at 1-888-SA Y -NO-MC.

EIR spoke with coalition president Karen Shore, Ph.D., a psychologist, on Dec. 6, 1996, about the group’s view of managed care, and particularly about the devastating effect it is having on the mentally ill. She also discussed the coalition’s proposed legislative actions to regulate managed care out of existence.

Shore said that the coalition is proposing both regulation of the managed care industry, and its replacement by Congress with some form of universal health care. “We believe that there really cannot be any “good managed care,” Shore said, “because managed care’s mechanisms have to do with a powerless patient and a powerless clinician, and that’s just antithetical to good health. And it’s certainly antithetical to good mental health. You have to try to empower patients, not control them.”

As to the effect of managed care on the mentally ill, Shore said, “If you’re talking about the seriously mentally ill, where you’re talking about major depression, manic depression, severe compulsive disorders, schizophrenia—they’re being undertreated terribly. In some managed care companies, the criterion for hospitalization has become that a person has to either have made a suicide attempt within the past 24 hours, or be in the process of attempting. So people are being admitted to hospitals, just like in medical care, much sicker, much less stable, and they’re being discharged way too soon.

“What some studies have begun to notice is an increase in re-hospitalizations, an increase in patient deaths and injuries; in part that’s because of managed care, and in part, because of reduced funding for the mentally ill in the hospital, the public funds. We certainly have stories of suicides, because patients are not able to get the right care.

“So we’re seeing barriers to getting into the hospital. We’re seeing premature discharges. On the outpatient side, we’re seeing psychotherapy completely destroyed. They’ve made a mockery of what psychotherapy is.”

Shore said that, while she doesn’t foresee rapid action to regulate managed care by either the Clinton administration or the Congress, the pressure is building to make some real changes. “I think that the lies that managed care has been promulgating are being exposed. We think that the unconscionable profits and the attitudes toward profit, and their real disregard for what actual health care is about, and their disregard for the people, are becoming apparent. So, I think that within the next year, you’re going to see the population really wising up and starting to demand something different. This is an anti-democratic, anti-person system.”

To deal with this situation, in 1995 the coalition proposed both state and federal legislation, including the following measures:

**Federal Legislation Needed** (Dec. 1, 1995):
1. Guarantee citizens coverage and portability regardless of employment or medical status.
2. Guarantee the right of all citizens, including Medicare recipients, to purchase all approved forms of insurance, including fee-for-service plans, Medical Savings Accounts, and any other form of insurance yet to be devised and introduced into the marketplace. Protect the freedom of all citizens to change plans at any time.
3. Allow all citizens to purchase their own insurance and to deduct 100% of the premiums.
4. Phase out employer involvement in health care, allowing employers to return premium money to employees on a tax-free basis so that citizens may purchase their own insurance. Consumers would then have the responsibility for cost-effective decisions along with choice and privacy.

**State Legislation Needed** (Sept. 17, 1995):
1. Mandate that all managed care plans offer a reasonable out-of-network (‘Point-of-Service’) benefit.
3. Require health plans to have a sufficient number of clinicians in each specialty and to print a list of network clinicians.
Credential providers must be developed with the input of appropriate providers refer patients only to other ‘network’ providers. Standards used to make decisions to deny care or to credential providers must be developed with the input of appropriate consumers and professionals.

Guarantee that consumers can appeal decisions made by their insurer and that the final appeal is made by qualified professionals who have at least the same credentials as the treating clinician and are independent of the health plan.

Treatment and reimbursement must continue until all appeals are exhausted.

Confidential information must be protected based on standards developed by consumers and clinicians independent of the health plans.

Guarantee clinicians due process if they are dropped from provider panels.

Prohibit companies from retroactively denying benefits for previously approved and delivered treatment unless authorization was based upon fraud.

Nuremberg crimes

EIR raised with Shore the fact that the post-World War II Nuremberg trials indicted Nazi doctors, among other reasons, “for inadequate provision of surgical and medical services” in the concentration camps. Shore said, “we see it happening” in the United States today, and referred to papers she has written comparing managed care to totalitarianism. Managed care has “taken the morality and the ethics out of health care, and it’s taken the people focus out of health care and put people on an assembly line,” she said.

“We’re just seeing the mental health field completely decimated. This is also where you get the Nazi comparison. You can really judge a society by how it treats its most vulnerable people. And the mentally ill in our society are the most vulnerable people. What we’re really doing is that these companies are just trying to make a fortune off of them.”

In a 1995 paper, “Managed Care: The Subjugation of a Profession,” published in Psychotherapy in Private Practice, Vol. 14 (2), Shore argued that the managed mental health care industry has established a “totalitarian regime,” comparable to that imposed by Hitler, Mussolini, Stalin, or Lenin.

Shore notes, “I hope the analogies frighten you as much as they do me. As Neville Chamberlain learned from Hitler, there is no such thing as appeasement. We cannot simply work within the system hoping the industry will be reasonable, and we can no longer think it can’t really get all that bad. It can, and it will.”

She compares today’s managed care regime to these totalitarian regimes on the following grounds:

1. Fascism, Nazism, and Russian Communism “sprang from economic and political chaos after the First World War” and the population’s desire for economic stability. Threats of annihilation by atomic and biological warfare had the same effect in the regimes of George Orwell’s 1984 and Aldous Huxley’s Brave New World. Here in America, she argues, “our economy is in distress and our health care system seems uncontrolled,” and the insurance industry, in the form of managed care, “says that they alone can bring stability.”

2. “Totalitarian states gained power through legal and illegal means, through propaganda and scapegoating.” In managed care, “we are well aware of the power this industry wields in our political system. Further, the managed care industry can bypass the electorate, i.e., the patients, because we have asked employers to pay for health care, and employers, in turn, have asked the insurers to control costs and services. Patients don’t count. . . .

“For scapegoats, Hitler had the Jews, the Bolsheviks had the capitalists. The Party in Orwell’s 1984 had Emmanuel Goldstein, who was called the Enemy of the People for advocating freedom of speech, freedom of the press, freedom of assembly, and freedom of thought. Can you exercise these freedoms under managed care without jeopardizing your livelihood?”

Shore also raises similarities between managed care and totalitarianism, in that “weak opposition enabled them to take control fairly easily”; totalitarian regimes and managed care subscribe to an ideology of power and conquest, and survival of the fittest; both are characterized by a centralized, bureaucratized, and hierarchical structure; and both eliminate all opposition.

On the latter point, she refers to the fact that there is now a telescreen in every therapy office, keeping therapists under constant surveillance for adherence to managed-care structures, a practice not dissimilar to the telescreens in Orwell’s 1984, which kept all Party members under the constant surveillance of the Thought Police.

The final comparison relates to the “lack of morality and pervasive cruelty” of totalitarian regimes and managed care. “When well-trained, ethical clinicians lose their practices to fiercely competitive entrepreneurs who rush people through therapy mills, we are in an age of immorality. . . . When a suicidal woman who leaves an abusive spouse is denied therapy because ‘domestic violence is a social problem, not a psychological problem’ (Psychological Association, 1992), we are in an age of cruelty. When treatment philosophies are made by distant corporate executives who get rich by requiring therapists to serve benefit plans instead of patients, and when no law protects patients or ethical therapists, we are in an age of totalitarianism.”

EIR January 3, 1997 National 61