

# For Frist, Free Market Trumps General Welfare

by Linda Everett

Since Sen. Bill H. Frist (R-Tenn.) took up the reins of Senate Republican Leader in the aftermath of Trent Lott's racist debacle, the media has fallen over one another building Frist's *persona* of glamour and glory as a skillful heart surgeon. There have been stories of his flying about the country in the dead of night for an available heart for transplant to save a patient's life; his administering aid to victims of a highway accident. No doubt his capacity here. The tragedy is his betrayal of that doctor's commitment to save lives, *when it comes to public policy*. There, for Dr. Frist, as he wishes to be called, the "free market" trumps human life.

Frist has wielded that ideology as a weapon in his proposed privatization of Medicare through private insurers; in his protecting of health maintenance organizations (HMOs); in his protecting his family's (and other) for-profit hospital cartels and the obscenely lucrative pharmaceutical companies. In each case, Dr. Frist comes out swinging on the side of these giants, against the individual patient and the general welfare of the nation as a whole.

## Step One To End Medicare

Frist calls it a travesty that outpatient prescription drug coverage is not part of Medicare, the Federal health insurance program for disabled Americans and those 65 years and over. But, he, and President George W. Bush—allegedly in order to provide that drug coverage—plan a massive restructuring of Medicare which is step one to getting the government out of providing health coverage for the frailest Americans.

Over 40 years ago, it became apparent that private insurance companies did not want to cover older and disabled Americans because they lost money every time they had to provide those people with the many medical services they needed for a plethora of complicated medical conditions. So the Federal government stepped in, and established Medicare to guarantee that all medical care was provided the disabled, and those over 65. The program immediately proved to extend life expectancy substantially for these populations—beyond that of several European countries and Japan.

Now, under Frist's Medicare reform with White House backing, that guarantee for extended life is to be ripped up, and the elderly and disabled thrown to the (competing) wolves—in this case private health insurers, who can charge Medicare patients whatever premiums they wish. Older and disabled Americans now increasingly have to choose between

paying for food or for medication; yet, the Bush Administration says Medicare reforms are necessary to make patients "more conscious of the cost of health care." Frist says he wants to give Medicare beneficiaries the same "choices" every other American has in selecting and paying for health insurance. All but the wealthiest Americans would gladly trade those "choices" for Medicare, were they eligible for it!

The idea, as Senator Frist proposed years ago with "Blue Dog" Democrat Sen. John Breaux (La.), is this. Instead of Medicare's promise that all medical needs are met, the government would give senior patients an annual amount of cash (called a defined contribution or a premium support) to buy their own health insurance from private plans—at whatever costs private insurers wish to charge. For the sickest, it would be astronomical, out of reach for those with multiple serious medical conditions. In effect, people will be forced into cheaper HMOs.

This is exactly what Bill Frist did when he led the team that privatized Tennessee's Medicaid program for the poor (TennCare) in the early 1990s, before his election to the Senate. There were plenty of "red flags" showing that HMOs could not reliably provide services for the poor and disabled. And, under Frist's new TennCare, 25% of the doctors left the program; hospitals dropped out because the state slashed hospital and doctor payments down to 40% of the costs of care; and 500,000 people were added to the program—without increasing the fund's annual budget. There were unnecessary deaths as a result.

There are "red flags" in the Medicare privatization plan as well—besides the plan to shift medical costs to those least able to pay for them. Initially, private HMOs that contracted with Medicare to provide services for its enrollees, used every trick and scam to sign up only the healthiest Medicare recipients—these people used fewer services and the HMOs could profit most by healthier patients. But sick patients were attracted to HMOs because HMOs promised to cover drug benefits, eyeglasses, and more. Once they had drawn all the profits from tens of millions of patients, often by denying promised benefits and care, the HMOs went on to dump 2.4 million Medicare patients from 2000 to 2002, and plan to dump 200,000 more in 2003, and move out of whole regions altogether. Despite Medicare payment increases to these private plans, the HMOs hiked premiums to the elderly and disabled up to 100%, and continued to complain that they could not make a profit on Medicare patients.

## Drug Companies, or Patients?

Now, under one part of the Medicare reform promoted by Senator Frist, patients who can't pay enough of their bills with the traditional fee-for-service Medicare, will be forced into the arms of the HMOs that just spurned them! These patients, who need the most care, will be denied it, or die fighting for it—as so many suits against HMOs demonstrate. The reforms will also offer more services, including prescrip-

tion drugs, than traditional Medicare, but charge much higher deductibles and co-payments.

Dr. Frist is a virulent opponent of legislation to rein in deregulated managed care firms and HMOs; he opposes giving patients the right to sue HMOs whose denial or delay of medical treatment results in harming, disabling, or killing them. Instead, he pushed tort reform, as concocted by Conservative Revolution extremists, to make it harder to sue corporations whose wrongful actions result in serious injury or death. Among his major financial supporters, including securities and investments firms, insurance companies, and pharmaceutical giants, is Eli Lilly and Co., which boosted sales of Frist's book on bioterrorism by buying 5,000 copies and distributing them in 13 cities. Frist returned their favor by writing a provision that makes it almost impossible for those injured by an ingredient in childhood vaccines produced by Lilly (Thimerosal, a mercury-based preservative) to sue the company. The Eli Lilly provision was quietly woven into legislation creating the Department of Homeland Security, and was enacted into law.

Frist and the President say Medicare reforms are necessary because Medicare is bankrupt. They don't mention the fact that too few Americans are working and paying into the Medicare program to cover the increasing numbers of elderly. The real unemployment problem is long-standing and will only get worse as 80,000 more Americans become jobless monthly. Medicare was hurt financially when used as an income looting stream by for-profit hospital cartel crooks like Columbia HCA and Tenet—both of which are big-time financial supporters of Frist.

### Health Care on Wall Street

Dr. Frist's late father, Thomas F. Frist, Sr., and his brother, Thomas Frist, Jr., were co-founders of the infamous Tennessee-based Hospital Corporation of America (HCA). In 1994, HCA merged with Columbia Healthcare, launched by Richard Scott and then-Texas Governor George W. Bush's financial partner, Richard Rainwater—renowned for his ruthless asset-stripping and closure of most of Charter Behavioral Health Systems, the nation-wide chain of for-profit psychiatric hospitals. Columbia/HCA became the country's largest and most predatory for-profit hospital cartel. Up to 1997, Columbia/HCA intensified cost-cutting and looting at the nearly 800 hospitals, clinics, and health-service businesses that it came to own nation-wide. Every decision was determined strictly by the "financial objectives" of maximizing its returns to Wall Street—by any and all means.

As Columbia/HCA "triumphed" on Wall Street, it wrecked the American hospital system, buying up "competitor" hospitals to shutter them. Its avarice left communities without hospitals (HCA pulled all 19 of its hospitals out of Tennessee, for example, when it failed to get Tennessee's indigent care law, requiring hospitals to treat a percentage of the poor, abolished). The Rainwater-Scott-Frist shareholder values led to defrauding the Medicare program (for 14 years



*The private Hippocratic virtues of new Senate Majority Leader Dr. William Frist are much harped upon; more important is that in public policy, he has not put patients' welfare first, but that of financial interests in health care.*

and \$3 billion), state government programs, and patients. The Federal government alone spent another \$1 billion to investigate Columbia/HCA and settled criminal and fraud claims for \$1.7 billion.

Bill Frist, his wife, and children own \$10-35 million of stock in HCA, according to a 2001 disclosure. Dr. Frist reportedly used a large part of what he owns in the company as a loan to bankroll his campaign for Senate, against Sen. James Sasser (D-Tenn.) in 1994. Sasser recently told the *Washington Post* that he always wondered whether Frist entered politics partly because the Budget Committee was starting to explore Medicare fraud, and HCA was vulnerable: "I was almost incredulous the Frist family . . . that had supported me politically and I knew socially . . . would suddenly turn around and run against me in what was a vicious campaign."

Senator Frist has his shares of HCA stock in a blind trust in deference to Congressional conflict of interest regulations. But, as one Medicare rights advocate asked this reporter: "Just how blind is a blind trust?" Not very. Had Senate provisions within Frist's early Medicare privatization reform plan become law, they would have profited his family's hospital cartel billions.

Perhaps in the case of the new Senate Majority Leader and prospective 2008 Presidential candidate, we can indeed ask that the doctor heal himself, before his shareholder values devastate more human life.