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American Healthcare Needs a Doctor . . . STAT!

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STAT! Healthcare is one of the most pressing and troubling social and economic problems facing Americans today. The rising costs of medical care and health insurance is impacting the livelihood of most Americans. It is also one of the largest and most immediate concerns at the collective bargaining table. With rising healthcare costs crowding out wages, some labor management groups are pursuing other measures to slow healthcare spending growth without having to cut benefits or shift costs to their employees or members. Most labor management groups are growing sick and tired of battling at the bargaining table just to settle on an agreement that neither side likes or wants, and putting most or all of any increase into the benefit package, primarily healthcare.

The United States spends more on healthcare per person than any other nation in the world and Americans are taking more prescription drugs annually than the rest of the world combined. And yet, the Surgeon General of the United States has said that we are the sickest generation of Americans who has ever lived. How can this be?

The truth – despite massive expenditures on medical treatments and prescription drugs, Americans are now sicker than ever before in the history of this country. To provide some perspective on the cost issue according to the Milliman Research Report released in May 2015, the cost of healthcare for a typical American family of four covered by an **average** employer-sponsored preferred provider organization (PPO) plan is \$24,671. Put another way that is \$2,055.92 per month. Today, a 30-year fixed rate mortgage at 4 percent on a

\$350,000 home is just \$1,671 per month. The cost of healthcare has now eclipsed the mortgage payment in America. Consider this; you could purchase a brand new 2015 Ford Focus SE for \$17,500, over \$7,000 less than the cost of healthcare for your family of four. You might buy a new car every five years or so but you pay for healthcare every year.

You would have to ask why with all of the “miracle drugs” manufactured and promoted by the drug companies, and the United States being supposedly one of the, if not, the most medically advanced nation in the world, are we getting sicker and sicker? Back in 1891, there were only seven known diseases and only 12 medicines, all of which were plant based. Fast forward to today, there are now over 10,000 legally registered diseases and, are you ready for this, over 561,000 patented pharmaceutical drugs. The sad reality is the pharmaceutical companies continue to convince Americans through drug commercials that they have a health problem or one of the many new diseases that are being “invented” on a regular basis. What we used to call a “bad temper” is now a disease called Intermittent Explosive Disorder. What we used to call “grief” is now Bereavement Associated Depression, and what we used to call “shyness” is now Social Anxiety Disorder – and yes there are plenty of drugs for all of them. I am not suggesting these issues are not real and that people do not suffer from them, but we cannot lose sight of the fact that each new diagnosis is a massive financial opportunity for the medical and pharmaceutical industry. The drug Rogaine was originally a cardiac drug that failed horribly. So what did they do? They decided to re-release it and have men

rub it on their heads to treat their male patterned baldness.

The late doctor Norman Cousins, who practiced at the UCLA Medical Center, said that over 90 percent of disease is “self-limiting”. Meaning that, with no medical intervention at all the body will heal itself. He said that the perfect pharmacy resides between our ears and it produces the purest drugs with zero side effects.

Let’s take a look at cancer. In the early 1900s, there was generally only one known type of cancer and it affected one in 8,000. Today, one in three women and one out of every two men will be diagnosed with some form of cancer in their lifetime. The standard treatment protocol is a wide variety of chemo therapy drugs which are incredibly expensive. The National Cancer Institute reports that there are over 100 different types of cancers and estimates that 1,658,370 new cases of cancer will be diagnosed in 2015 and 589,430 cancer deaths in the United States. Some are suggesting that following this trend line, by the year 2020, every American will have some type or form of cancer.

One may ask, “How did we go from having one type of cancer to over 100 different types?” The simple answer is disease is big business. In a recent documentary on big pharma, one insider stated that the pharmaceutical companies and medical professionals are not in the business of curing disease but rather they are in the business of maintaining and managing it. Consider that the medical community itself actually uses the term “Bread and Butter Disease”. A “Bread and Butter Disease” is a long-lasting condition that can be controlled but not cured such as, high blood pressure, high cholesterol, diabetes, obesity, allergies,

and depression. These are the diseases for which most Americans visit their doctor and pharmacy for treatment on a regular basis. For the doctor and pharmacy they are a bread and butter annuity. Chronic diseases are responsible for 7 out of 10 deaths each year in the U.S. It is estimated that by 2030, 171 million Americans will have at least one chronic condition. Chronic disease not only affects our quality of life and our wallets but plays a significant part in the rising costs of healthcare and affordability. Chronic conditions account for 86 percent of the nation’s healthcare spending.

The fact is, currently, Americans are spending over \$2 trillion per year on healthcare and that figure will eclipse \$3 trillion in this decade. Over \$1 trillion a year will be spent on pharmaceutical drugs alone. Pharmaceutical drugs are the fastest growing spend in healthcare and within that, specialty drugs (those used to treat chronic disease) spending is rapidly growing out of control. In fact, from 2012 through 2020, specialty drug spending is expected to quadruple from an average spend of \$87.10 all the way up to \$401.70. In 2014, prescription drug costs spiked 13.6 percent, an enormous increase from the prior year. One of the reasons for the huge spike is the introduction of “new” specialty drugs – for those chronic diseases no doubt. Remember our family of four? Prescription drug costs now makes up 15.9 percent of their total healthcare spending. Sadly, many Americans do not realize that the majority of chronic diseases can be prevented or managed – putting more life in their years and money in their wallets.

As if that is not bad enough, the fifth leading cause of death in America is Hospital Acquired Infections (HAI). In fact,

one in 25 hospital patients at any given time has an infection that they contracted during the course of their hospital care. There are approximately three quarters of a million reported each year and about 10 percent of those people die from the infection. In addition to the human pain and suffering, hospital acquired infections result in an estimated \$30 billion in excess healthcare costs a year. To make matters even worse, the Centers for Disease Control (CDC), who monitors hospital acquired infections, recently produced their latest report card indicating that hospitals are actually doing much worse and not improving at all in this area.

The U.S. economy and businesses in general lose more than \$1 trillion annually due to the treatment, costs and productivity losses associated with the most common chronic diseases. Rapidly rising healthcare costs are making it more difficult for businesses to continue offering the health benefits that we have grown accustomed to. With the rising costs of healthcare taking its toll on the employer's bottom line, businesses are struggling to avoid laying off employees, pay cuts and benefit reductions. Take Starbucks for instance when they realized that they were spending more on employee health benefits than coffee. Rather than cut benefits, Starbucks laid off 6,000 employees and closed 300 of its stores. Rising costs are also being felt in our wallets. The big three carmakers, GM, Ford and Chrysler, spend more on employee health benefits than the steel used to make their cars. Healthcare costs add approximately \$1,000 to \$1,500 to the cost of each their vehicles.

It may sound cliché and maybe a bit over used, but I believe that there is a “perfect

storm” impacting healthcare in America. The first aspect of the storm is legislation and regulation in the healthcare arena. The Affordable Care Act (ACA), love it or hate it, has indeed added significant costs in mandated benefits, testing, doctors, taxes and fees and it does not appear that regulating healthcare will slow down anytime soon.

The second reality of the storm, which we already addressed, is the fact that Americans are spending more than ever on healthcare and getting sicker each year.

The final piece of the “perfect storm” is the fact that Americans continue to live longer and we're getting older. Consider the fact, that since 2010, 10,000 baby boomers will turn age 65 every day and this will go on for 20 years. There is nothing wrong with aging, in fact, we all aspire to be old, we are just not in any hurry to get there, and certainly it beats the alternative. An aging population tends to be sicker and more dependent on the healthcare system. Many experts are warning that the American healthcare model is not sustainable. Other experts are predicting a massive wellness revolution in this country because Americans are fast becoming sick and tired of being sick and tired, and the truth is, we simply cannot afford to stay this sick and get even sicker.

While we may not be able to solve all of the broader problems, we are forced to live with the consequences which are spiraling cost increases to our healthcare plans. While this writing depicts the deplorable state of healthcare in America, it is really not all bad news. The “healthcare crisis” that we face is causing some very intelligent people to seek out and promote innovative ways to solve some of these problems. The

electrical industry, for example, through national healthcare plans, such as the NECA/IBEW Family Medical Care Plan (FMCP) and Lineco, and some other regional plans, are successfully aggregating large numbers of people and utilizing that leverage to deliver more affordable healthcare. Other innovative programs and ideas can and are being explored such as Centers of Excellence, tele-medicine, wellness initiatives, and virtual best doctor programs.

The very sad reality is that more people have died from preventable diseases than in all of the wars of the world combined. It would be easy to conclude that the system is broken and major changes are necessary to fix it. The far more difficult part is getting people to do what is necessary. Probably the single best thing that could happen is that each of us has our own personal wellness revolution that we become fully-involved in our own health, wellness and fitness and rely on ourselves and not the “system”.

There is an old story about a father watching his six-year old son. Dad needed a break so he grabbed a piece of newspaper with a picture of a globe on it and tore it into pieces and gave it to his son as a puzzle to put back together. Dad, figuring this would give him a substantial break was stunned when the child return with his puzzle put back together in very short order. The father questioned his son as to how he put the globe back together so quickly. To which the six-year old responded, there was a picture of a person on the backside of the paper and when I put

the person back together, the world came together.

About Larry Bradley

Lawrence J. Bradley is a native of Philadelphia, Pennsylvania. He has an extensive background in labor relations and administration serving the electrical industry. Larry worked with the Penn-Del-Jersey Chapter, NECA for 27 years in virtually every capacity of association management and served as the Executive Director of the Chapter for 18 years.

Working with fourteen IBEW local unions, Larry was either a Trustee on or had oversight of over forty Taft-Hartley Trust Funds and administered more than fifty joint labor management agreements. His work positively impacted the lives of thousands of IBEW members and their families. In conjunction with his IBEW partners, Larry initiated many unique and effective programs and strategies, bringing unprecedented labor management cooperation to the Penn-Del-Jersey Chapter.

Larry served two terms on the IBEW/NECA Council on Industrial Relations (CIR). In 1997, he was honored with the National Electrical Contractors Association’s (NECA’s) Association Executive, Distinguished Service Award. In October 2002, he was inducted into the Academy of Electrical Contractors, NECA’s highest honor.

Larry officially became the Executive Secretary-Treasurer of the National Electrical Benefit Fund on July 1, 2002. On April 1, 2011, Larry was appointed Executive Director of the NECA/IBEW Family Medical Care Plan (FMCP).

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