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## Health Care Rationing

### Session L21

Peter A. Ubel, "The Necessity of Rationing Health Care," in *Contemporary Issues in Bioethics*, ed. Tom L. Beauchamp, LeRoy Walters, Jeffrey P. Kahn, and Anna C. Mastroianni (Belmont, CA: Thomson and Wadsworth, 2008), pp. 609-616.

Robert Steinbrock, "Saying No Isn't NICE -- The Travails of Britain's National Institute for Health and Clinical Excellence," *New England Journal of Medicine* 359 (6 November 2008): 1977-1981.

These readings continue to examine the intersection between utilitarianism and health policy. Instead of focusing on a narrow topic, such as allocation of organs for transplant, they look at broader questions of health policy. In a world of rising costs and limited resources, many policy experts assume that health care will need to be rationed widely. As the readings describe, experts have developed a series of techniques to put rationing on a rational basis. But as you do the readings, do not take the assumptions for granted. What determines the cost of health care? Are resources really limited? What values underlie both of these questions?

Ubel, "Dose Response": Peter Ubel is a physician, bioethicist, and now director of the Center for Behavioral and Decision Sciences at the University of Michigan. He describes a common tension faced by doctors as they are training: many doctors believe that they should actively ignore questions of cost when caring for patients (optimal medical outcomes should be the only concern), but at the same time they realize that many of their decisions are horrendously cost-ineffective. How can this tension be resolved? He describes various efforts by the state of Oregon in the 1990s to use cost-effectiveness analysis to guide health care decisions. Why was the system easy to design, but difficult to implement? Have QALY's (quality adjusted life years) solved the problem? Is his recommended plan, in which physicians would be guided but not bound by QALY's and cost-effectiveness analysis, a reasonable one? Would it work in practice?

Steinbrock, "Saying No Isn't NICE": Robert Steinbrock, a frequent commentator in the *NEJM*, describes the history and controversies of England's effort to impose rational rationing on the National Health Service. What is the purpose of NICE? Why have its decisions been controversial? Which groups have protested the decisions, and why? Like Oregon, NICE uses a combination of CEA and QALYs, calculating a cost per QALY gained. A threshold of \$34,400 per QALY has been deemed acceptable. Can life be quantified in this way? Are there alternative approaches that might work better? Canada has a similar system, which has been less controversial. But of all of Obama's health care proposals, his plan to create a US version of NICE has been by far the most controversial. Why do you think that the resistance has been so much stronger in the US?