



Editorial: Looking for death panels in all the wrong places.

By the Editorial Board | Posted: Sunday, May 29, 2011 12:00 am

One month ago today, Coventry Health Care Inc. of Bethesda, Md., reported first-quarter profits of \$110.2 million on revenue of \$3 billion. Profits were up 13 percent over a year ago. Company CEO Allan F. Wise told analysts, "Our low-cost mentality is alive and well."

Which is more than you can say about Michael Hatfield.

Coventry could have afforded to pay for Mr. Hatfield's bone marrow transplant. It might have dropped three-month profits to \$110.1 million, but the company could have eked by.

Instead, Group Health Plan Inc., of Earth City, the Coventry subsidiary that provided health insurance for the 30-year-old St. Charles carpenter, claimed that the donor stem cell transplant that Mr. Hatfield's doctors say he needs is "experimental or investigational," and, thus, not covered under his policy.

For this decision, as Jim Doyle of the *Post-Dispatch* reported Monday, GHP was sued in U.S. District Court in St. Louis on May 12. Civil actions take months, and sometimes years, to come to trial. Mr. Hatfield may not have that much time.

He underwent the first of two necessary bone marrow transplants in October; GHP paid for that one. The second one should have been performed within six months, his doctor says. GHP paid to find a donor, but then declined to pay for the procedure.

What's more, Mr. Hatfield's health insurance — unable to work, he's been paying for COBRA coverage — expires on Tuesday.

"Time," his lawsuit says in vast understatement, "is of the essence."

During the long debate over the Affordable Care Act that President Barack Obama signed in March 2010, much bleating was heard about so-called "death panels," experts who would provide end-of-life counseling for critically ill patients.

Meanwhile, real life-and-death decisions are being made by for-profit insurance companies. You want death panels, that's where to look.

From a dollars-and-cents perspective, it's easy to understand why GHP might not be interested in paying upward of \$100,000 for an "allogenic match unrelated donor stem cell transplant."

Still, the company already had paid for an "autologous stem cell transplant" and should have known it was only the first step. Furthermore, it had paid to find a donor for the second procedure. It should be aware that for young patients suffering from a multiple myeloma, like Mr. Hatfield, the two-stage procedure is anything but experimental.

Dr. John diPersio, deputy director at Barnes-Jewish Hospital's Siteman Cancer Center — who is not Mr. Hatfield's physician — told Mr. Doyle, "There's no doubt in my mind that (donor) transplants are the standard of care in selected, appropriate patients.... The best centers in Europe and here do it. Most of the insurers who are worth their weight leave it up to the physicians and the (academic medical) centers."

Had Mr. Hatfield waited a year to get sick, he would have had a better shot. Starting next year, patients who are denied coverage for allegedly "experimental or investigational" treatments can appeal to independent panels, not to insurance companies that already have denied coverage.

Meanwhile, insurance companies already are benefitting from health care reform. *Forbes* magazine reported last week that 600,000 young people were added to their parents' policies during the first quarter of 2011. Because most of them are healthy, the additional premiums represent added profits.

GHP and Coventry should spend some of theirs on Michael Hatfield and do what they are contractually — and, we would argue, morally — obligated to do.