

The Coming Impoverishment of Medical Doctors

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Years ago when I drove a taxi to support my family I picked up a British physician at the Medical Center Hospital in San Antonio. He was well known in the United Kingdom. He was in the U.S. teaching doctors something. He told me that he had been invited out that evening to fraternize with some American doctors. He just went back to his hotel and explained he didn't have the money to keep up with his American

colleagues.

For many decades Americans have been told that healthcare in the United States was the best in the world. But it isn't anymore. Medical school has been dumbed down considerable even though it is still hard to get into. The average physician collects rent these days far more than he sees patients. There is just not enough profit in seeing patients to justify the time it takes. Doctors scan the results of blood tests, ultra sounds and other tests looking for conditions that are profitable to treat. Healthcare has completely left the realm of free markets. Medical errors are the 6th leading cause of death in the United States. If a patient has a malady that doesn't show up on a standard test, it is not going to get treated. Free markets are the soul source of good will in an economy. Any other system comes down to economics by force. In a government run healthcare system there is no goodwill. It is an every man for himself system. Doctors have commodities for patients and patients have generic doctors.

Doctors are important but they have less and less utility to society with every passing day. Combine the constantly declining value of a U.S. physician's services with higher incomes than doctors in other countries and you have a guarantee that their incomes here will decline. For many decades healthcare professionals have benefited from government promoting healthcare and paying patient expenses. What has changed? One of the shortcomings of rigged markets is that the benefits go to those with the most political power. In terms of political power, health care professionals are starting to lose out. Benefits from lobbying efforts now now enrich mostly those at the corporate level and higher. In many cases, doctors are at as much at a disadvantage as their patients. Since doctors have lost political power,

government is paying them as little as possible for the services they provide. They try to make it up in volume. Time with a patient is 15 minutes max and more like 7 minutes when possible.

In economics, reality gaps are always temporary. When education levels are declining here and the same level of professionals are payed much less elsewhere, the reality gap will close. How will it close? We don't know but it will work like magic. The explanation will come after it happens. The question is like asking, how will water seek its own level?

Of the U.S. healthcare dollar, insurance companies take a huge portion. It is not really insurance in a classical sense. It is an expensive payment management system. Certainly U.S. doctors will eventually start cultivating cash business. Insurance for patients is expensive beyond any estimation. As it is, a cash customer is charged more than three times what a doctor is payed by an insurance company. The modern health insurance company is a child of government, offers no value and extracts countless unnecessary dollars out of the population.