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August 7, 2003

Dr. Harvey V. Fineberg
President
Institute of Medicine
The National Academies
500 Fifth Street, NW
Washington, DC 20001-2721

Dear Dr. Fineberg:

Thank you for your letter of July 31, 2003, and your kind comments about my role in founding the Medical Follow-up agency. Although I initiated the idea when I was in the Surgical Consultants Division in the Office of the Surgeon General of the Army, Gil Beebe (who, regretfully, we lost recently) deserves major credit for its successful development.

I should now like to propose another topic for your consideration. This is concerned with the recurring strictures of reimbursements that are causing financial disquietude, and even apprehension, in virtually all academic medical centers in the country. To be sure, the basic science departments in these centers are doing reasonably well (indeed most are eminently and joyfully successful), thanks in large measure to the increasing budget for the N.I.H. But the major problem in these academic medical centers is in obtaining adequate funds for proper support of the clinical departments, especially in the conduct of their teaching and research activities. As you know, for this purpose they have depended in varying degrees (perhaps to a greater degree among private medical schools) on reimbursement and fee payments for their professional medical and surgical services (during my tenure as Chairman of our Department of Surgery at Baylor, I financed all my departmental needs from my professional fees).

During the past few decades there has been a progressive constriction in reimbursements for clinical services by both Medicare and the various private insurers. This has now reached the critical stage of threatened sustainability, forcing a decrease in clinical research activities and fellowship support.

As you know, the N.I.H. in recent years has addressed this problem of clinical research support with some success, but without resolving the problems for reasons beyond their powers.

This matter is greatly aggravated by the fact that the full-time clinical faculty of most academic medical centers provides free medical care for trauma and illnesses of a large segment of the uninsured population in most urban centers. The added clinical burden (happily of great value in residency training), for which there is rarely any compensation (indeed in some cases such as ours it represents an increased cost to the College), encroaches significantly on the time and other functional activities of the clinical faculty. Unfortunately, there is little relief obtained from voluntary clinical faculty members for this purpose.

I realize this is a complex issue having political implications that can be controversial, even contentious and acrimonious. I am also aware that it may be integrally related to a broader problem concerned with U.S. healthcare, which has bordered on cultural inveteracy. I appreciate, too, the efforts that have been made by certain medical organizations, such as the AMA, the AAMC, and other medical and surgical societies. But in large measure their efforts have been fragmentary, often focused on special interest, and generally of questionable success. Apposite this line of thought, I confess to frustration in observing any serious effort to address this issue as a significant national problem (the need, for example for urgent calls for letters to our congressmen about specific legislation affecting one aspect of this problem - see enclosed copy of letter to Senator Hutchison).

The academic medical centers are crucial to the healthcare of the country, since they are the wellspring not only of practicing physicians, but equally important, of new knowledge that leads to better control and even elimination of disease and, consequently, of securing the health of the nation. For this compelling reason, I believe it deserves special attention and, if necessary, segregation from other contentious areas of the broader health issues of the country.

I must now add that I am aware that this may be an inappropriate problem for the I.O.M. to address, owing to the complexities and disputatious political implications. At the same time, I must express my frustration in finding much hope in the current fragmentary and floundering approaches. It is for these reasons that I bring this matter to your attention. I can think of no other institution that has the prestige and the capability (to be able to call upon the best minds of the country) to address this matter of critical interest and concern. Incidentally, I did notice that on page 5 of your Strategic Vision report, under Health System Improvement, there is listed "Academic health centers and the infrastructure for biomedical research and health care."

Finally, I would like to suggest an approach that has precedence, and has proved reasonably effective, namely a Presidential Commission, (for example, The Hoover Commission, which was responsible for the establishment of the National Library of Medicine (enclosure), and President Johnson's Commission on Heart Disease, Cancer, and Stroke, which was responsible for the National Library of Medicine's Outreach program and the National Cancer Centers). There are obviously other comparable approaches. But what is required are bold initiatives and focused and resolute leadership. Who knows , from such an endeavor ideas may be divulged that could have significant implications for the healthcare system, which is obviously in sore need of attention.

I deeply appreciate your efforts to reach out for ideas and topics of interest for the I.O.M., which has and, I am convinced, will continue to make valuable contributions to the country.

With kind regards.

Sincerely,

Michael E. DeBakey, M.D.

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Enclosures