

Opinion

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OURS

Outright ban isn't best for the patients

THE ISSUE: A U.S. House bill has rekindled a debate about the practice of physician-owned hospitals in South Dakota. **OUR VIEW:** It's a complicated issue, but simply restricting physician-owned hospitals isn't best for the patients.

A House bill that would restrict physician-owned hospitals has re-ignited the debate about the small, competitive health care providers.

The debate was renewed this month when the U.S. House of Representatives passed legislation regarding health care for children. In that bill, however, is a section that would restrict growth of existing physician-owned facilities and restrict any new facilities from being opened.

Opponents of physician-owned hospitals say it's a conflict of interest for a doctor to get payment from a patient for services and, at the same time, refer the patient to a facility he or she has a financial stake in.

Proponents say physician-owned hospitals can provide better, and speedier, patient care.

The answer is so simple we're surprised it has been overlooked. Both sides are right.

That simple answer is why there's no simple solution.

In South Dakota, there are only seven physician-owned hospitals, two of which are in Rapid City. But the debate over the facilities has been brewing since 1997, when then-Gov. Bill Janklow vetoed a bill the South Dakota Legislature had passed to restrict physician-owned hospitals. In 1997, two physician-owned specialty hospitals opened in South Dakota.

Quoted from a recent Rapid City Journal: "We need to shine light on this [physician-owned hospitals] because it's a conflict of interest, and we have federal laws that prohibit this, and all this is is a loophole," says Cindy Morrison, vice president of public policy for Sanford Health in Sioux Falls.

And, Molly Sandvrg of Physicians Hospitals of America in Sioux Falls sees it quite differently. "That's really the reason for our industry. ... The doctors who own these hospitals want to impact how their patients are treated. All they're really looking to do is provide the best possible care for their patients."

Too often in debates, we try to side fully with one idea or another. Sometimes that can be done; sometimes it can't. In this case, the issue is much too complicated to boil down to any single solution — especially one that both sides will agree on.

But restricting the growth of the physician-owned hospitals is hardly fair to patients. We understand the frustration that must be felt by the larger hospitals watching the physician-owned hospitals cherry pick patients and enjoy some flexibility in who they would admit. But if those patients have the proper insurance and it doesn't cost the insurance company more at a physician-owned facility, then restrictions are hard to justify.

Finally, people matter, and patient care is what we expect from health care providers. If patients can get top-notch care at independent providers, they should be able to do so. For the House to end all growth of physician-owned hospitals is simply not practical nor fair.

There should be some room for growth of physician-owned hospitals in South Dakota. What that level of growth should be is a larger debate.