

PERSPECTIVE

Medical Bankruptcy: Dranove And Millenson Respond

Is research being driven by ideology?

by **David Dranove and Michael L. Millenson**

IN RESPONDING TO OUR study, David Himmelstein and colleagues state that we “seem determined to deny that financial fallout from illness pushes middle-class families into bankruptcy.” This is simply untrue. Our paper denies neither the presence of medical bankruptcies nor their serious impact on families. Rather, we carefully critique the methods they used to analyze those bankruptcies. Nothing in Himmelstein and colleagues’ response suggests that our criticism of their methodology was incorrect. They continue to offer only one direct causal measure: namely, that medical bills “contribute” to 17 percent of personal bankruptcies. The remaining anecdotes and correlations they offer do not constitute systematic empirical research, and they do not establish causation or the magnitude of the problem. Thus, it is impossible to determine from their study whether and by how much the expansion of health insurance coverage would reduce the personal bankruptcy rate.

They also fail to respond to other major concerns. Let us repeat the crucial implication of theoretical and empirical studies in financial economics (some of which were published in the most respected journals in this field): All debt contributes to bankruptcy. Himmelstein and colleagues never establish the relative importance of medical bills in bankruptcy and do not seem to understand how to do so.

We admit to being unprepared for the political attack-dog tone that dominates their response. One might have thought that our paper, rather than appearing after rigorous peer review, had been issued as a press release by insurance industry magnates. In fact, although

our time was paid for by America’s Health Insurance Plans, our work was completely independent, and we, along with the journal’s editors, insisted on the peer-reviewed publication process. Perhaps Himmelstein and colleagues are simply taking out on us their frustration that middle-class American voters have ignored their decades-old advocacy of a Canadian-style health system.

Without any sense of irony, the authors cloak themselves as successors to evidence-based medicine pioneers such as Semmelweis, who discovered that hand-washing prevented puerperal fever. In fact, they more resemble Semmelweis’s opponents, who drove him out of medicine for political incorrectness in opposing the conventional wisdom. Insight leads to assertions; scholarly investigation, not declarations of moral superiority, is what confirms insight as true.

We agree with Himmelstein and colleagues that too many vulnerable Americans are financially devastated by the cost of illness. They seem to regard with a sense of outrage our objective examination of the methods they use to establish just how many such individuals there are. We, in contrast, continue to believe that passion to right a wrong does not justify abandoning dispassionate analysis of the best way to do so.

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