Another twist in healthcare reform involves a logical plan to have taxpayer dollars follow uninsured patients in a somewhat one-for-one match. Gov. Rick Scott’s idea is compelling on the surface but the sausage factory that is healthcare economics guarantees that a beautifully simple idea is politically unfeasible.

While the concept of costs and billing, for-profit and nonprofit are fairly easy for most to grasp, when it comes down to hospital billing, smoke, mirrors and other amusements enter into the equation.

How to price out charity care affects all providers but probably none more than Jackson Health System, the public hospital of last resort for many in Miami-Dade. The reeling operation is being eyed by a private firm, but under either structure it will likely face the same dilemma.

John Dorschner’s cover story, “Hospitals, tax dollars and the uninsured,” lays out the issues and contains some possible solutions from some of the sharpest minds in the industry.

I have another: Make the first transaction in the system transparent. John’s story begins with a patient whose illness has a “cost” of $17,000. The procedure has widely varying costs at different hospitals, and moreover the hospitals treat that amount differently — it shows up on the bottom line in profoundly different ways depending on a myriad of variables.

“It’s all about cost-shifting,” says professor Carol Hutton, who teaches current trends and issues in healthcare for the College of Business at Florida Atlantic University.

There is no consistency in how much patients pay, how much insurance companies are billed and the amount of money booked on the income statement. This is all an inappropriate perspective when discussing “charity” care, Hutton says.

“Part of the problem is they look at it as a marketable commodity rather than a service to the community.”

The problem is systemic, she says, and charity care cannot be address without
radical reform.

“It may appear to be a simple lesion on the tip of the big toe,” says Hutton, who is also an advanced registered nurse practitioner with degrees from Yale and Florida State. “But in fact we’re dealing with a chronic systemic fulminating illness that presents itself as a small problem but indeed presents pathology in three or four major body systems. Think cardiac, renal and hepatic; we have serious problems.”

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