Cold-blooded Costs
by Richard A. Webster

Editor’s note: Murder Inc. is a two-part series on the business costs of crime. This week focuses on the medical costs. Next week will analyze the costs to the criminal justice system.

As criminologist Peter Scharf waited in a Sprint store on Veterans Memorial Boulevard, three black teenagers in line behind him lifted up their shirts and compared gunshot scars like other high school students boast about the bones they’ve broken skateboarding or skiing.

Street violence for poor, black males in the Crescent City is the equivalent of a terminal disease that will one day strike them down at a young age. Some will die lying in the middle of the street as their lives pour out of gunshot wounds to the chest or head. Others will be paralyzed and confined to wheelchairs.

In 2007, there were 209 murders in New Orleans, a 30 percent increase over 2006 when there were 161.

Non-lethal shootings, or aggravated assaults, are even more numerous. There were 341 in the third quarter of 2006 alone, the most recent statistics available from the New Orleans Police Department.

Health care officials say a price can never be put on a human life. They will spend any amount of money necessary to save a person, whether it’s a 60-year-old cancer patient or a 19-year-old drug dealer.

Beyond the incalculable price for human lives lost, violence takes a massive financial toll on the community every time someone squeezes the trigger.

Scharf has calculated the huge costs incurred to the state with every homicide.

Scharf, director of the Center for Society, Law and Criminal Justice at Texas State University, co-authored a study that estimated the costs of a single murder at $1 million. A shooting causing a debilitating injury is twice as expensive at $2 million.

Shooting cost estimates include the price of health care, police investigation, and trial and incarceration.
Scharf said he hopes to illustrate through the study how street violence affects everyone — not just inner city residents.

“You take a blue collar city that is going down the tubes anyway and add these murder costs and you basically go tilt. And that’s the risk,” Scharf said.

Most costs associated with shootings are incurred through medical care for the victims, which are paid by Louisiana taxpayers.

“It’s the expense at the hospital where it really starts to multiply,” said Steve Kuiper, vice president of operations for Acadian Ambulance Service Inc. “Especially, and I hate to be cold about it, if the patient lives and requires long-term care.

“A six-month stay in intensive care can run $500,000 to $1 million. And if they need long-term care in a nursing home it continues to cost every taxpayer in the state a huge amount of money. But for most people it’s all about, ‘out of sight, out of mind.’ They think it doesn’t affect them, that they will never get shot so who cares? But the amount of money spent on free care would astonish you.”

Shooting scenes

When the 911 dispatcher receives a call reporting a shooting, the operator sends a paramedic to the scene.

Jeb Tate, spokesman for New Orleans EMS, said the typical cost to pick up a shooting victim, provide care and transportation to the nearest hospital is $1,075. Nearly 90 percent of all gunshot victims in New Orleans do not have insurance, so the city pays.

“Most people calling with chest pains have insurance so we can collect some money, but the people getting shot, most don’t even have Medicaid,” Tate said.

Most gunshot victims at the University Hospital Trauma Center fit a profile: They are between the ages of 16 and 24, black, involved in the drug trade and uninsured, said Dr. Norman McSwain, trauma center director.

“They’re making a lot of money doing what they’re doing. They see that making a $1,000 drug deal versus working for $8 an hour at the golden arches gives them a lot better lifestyle, though it’s not very long,” McSwain said. “And they perfectly well accept the fact they won’t live that long.”

Violent rite of passage

For many young black men in New Orleans, taking a bullet is an unfortunate but expected right of passage, said Dr. James Moises, who worked as a trauma physician at Charity Hospital for more than 10 years.
“They’re pretty much callous to it,” Moises said. “A lot have been shot on numerous occasions so it doesn’t scare them because that’s all they know. They’re not looking to be 30 and have a family. They’re just looking to survive the streets and can’t see beyond the next drug deal. It’s unfortunate because I take care a lot of these kids in the pediatric ER and when they’re 5 years old they’re not gangsters, and when they’re 10 years old they’re not gangsters but something happens when they become teenagers. Because of all problems in the city they get caught up in the drug rings and the next thing you know they’re getting shot.”

And they know a paramedic will rush gunshot victims to the state-funded University Hospital trauma ward where they will be given the best care in the world for free.

“People don’t have health insurance but say, ‘Thank goodness we have an emergency room I can go to.’ But they don’t understand it’s still part of the health care system. So when they get shot they just assume someone will take care of the bill and that’s the taxpayers,” Moises said.

Shifting costs

When a hospital loses money caring for an uninsured patient, it transfers those expenses to insured patients by raising prices, said Connie Potter, executive director of the National Foundation for Trauma Care.

“It’s called cost shifting. It’s like going to McDonald’s and one customer pays and three others don’t so you’re going to charge that one customer who does pay four times as much as everybody else,” Potter said. “If a trauma ward didn’t do that it would be broke in a week because trauma patients, especially gunshot wound people, are inordinately uninsured.”

The Louisiana Department of Health and Hospitals gave University Hospital $110 million to cover uncompensated care costs in the fiscal year ending June 30, 2007.

Bob Hatcher, chief financial officer for Tulane Medical Center, said a gunshot wound to a muscle or bone can cost as little as $2,000. An internal injury requiring surgery could rack up a $20,000 bill. But a bullet piercing an organ can require hundreds of thousands of dollars of care.

The cost of treating gunshot victims today compared with 10 to 20 years ago is much higher because guns are bigger and more powerful, Moises said. People shot in the streets are now more likely to die on the scene or come into the trauma center with multiple wounds and more severe injuries.

Nearly all gunshot victims in the New Orleans region go to the state-funded and taxpayer-supported University Hospital, which has the only level-one trauma center in the city.

There is a reason for that, Moises said. Trauma centers are not moneymakers.

Private hospitals would rather not provide care for major trauma patients because many are gunshot victims whose wounds are severe and costly. Gunshot victims are hospitalized for long periods and almost always uninsured.
In most cities trauma centers are located within university hospitals because they are vital tools in teaching new doctors and are not depended on to turn a profit, Moises said.

McSwain worked at Charity Hospital for more than 30 years and has seen thousands of teenagers rolled into the emergency room riddled with bullets. When he first started, he tried to ask why they were risking their lives on the streets. But after so many years and seeing so many young men die or left as quadriplegics, seeing the same 18-year-old rushed into the trauma ward four different times with bullet wounds, he realizes his words won’t make a difference.

So he is forced to look at each new trauma case as a chance to improve the skills of his medical team.

“From an education perspective we look at a gunshot victim and say, ‘Here’s another patient we can train and make better physicians with,” McSwain said. “It’s all we can do because they keep getting shot and costing the city.’"