The United States Does Not Need a National Health Insurance Policy

Does the United States Need a National Health Insurance Policy? , 2006
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In a national single-payer health care system, every individual's health care would be paid for by one federal agency, which would allow too much government control over health care choices. Single-payer systems have not worked well anywhere else in the world, and Americans should not expect that they would work in the United States. In lieu of a single-payer system, alternative programs could provide solutions by helping the uninsured pay for their health care through community volunteer work.

Imagine this scenario: You just purchased a new car. The salesperson explains that all new-car owners must participate in a new program: "Managed Car." This is an attempt to cut down on the paperwork and waste associated with the operation of an automobile. Your service representative will help you locate the "best" (cheapest) oil to buy and the "best" (cheapest) service locations participating in their program and will help you avoid costly, preventive maintenance. They also will help you avoid those who might take advantage of you by recommending wasteful additives or synthetic oils that are more expensive and outside the mainstream of auto maintenance.

How a Single-Payer System Might Function

Sound ridiculous? I agree, but the above is a close parallel to what would happen under a single-payer health-insurance program. Imagine another scenario: You walk into the grocery store and there is a sign at the entrance stating that there is a new program for the county, the "County Single-Payer Food Program," for all county residents. After all, food is a right and our country should not let anyone starve to death. Food prices no longer would be posted, for fear that the store managers might compromise their commitment to their customers. So you meander through the store and you enjoy purchasing without regard for the cost of the products. In fact, it is not long before your food selections change from previous trips to the same store. The T-bone steaks seem more attractive, the lobster finds its way into your basket and you pass by the day-old bread section you used to frequent. As you enter the checkout line the cashier presents you with the total bill: $110.89. You present your Single-Payer Food Group card, the cashier makes a note on the receipt and you leave the store. Six months later, the Single-Payer County Food Group writes to you stating they mailed a check to the grocery store for $37.65, the usual and customary amount for the food you purchased.

These scenarios are not far from the reality of what managed-care organizations have done to our health-care system and how a single-payer system may function. Our society never would let the government determine where our car should be serviced, the type of gasoline we may buy and how often we are able to change the oil in our car. Why do we let this happen with our health care?

What is so attractive about a single-payer system? For the patients, there is the perception that whenever they are ill, a medical facility will be waiting with open arms to take care of them. For the physicians, there is the lure

of less paperwork and the freedom to practice their art without the complexities associated with billing. For the politicians, health-care decisions attract voters who are hopeful that somehow the central government will be able to stabilize the fear of our ailing health-care system. Many who are not familiar with the actual health-care delivery system in other countries often cite partial truths that imply the grass is greener in a single-payer environment. Many use Canada as a country for the United States to emulate, without knowing how their system functions. Last Jan. 2 [1999] 23 of the 25 hospital emergency rooms in Toronto were closed to patients, regardless of the severity of their illness. Canada has long waiting lists for medical technology such as MRI [magnetic resonance imaging] and CT [computerized tomography] scanners. According to the Vancouver-based Fraser Institute, studies show that in 1997-98 about 170,000 people in British Columbia were not covered because they had not paid premiums required by the province. Alberta also requires a premium and does not cover individuals who do not pay. A 1999 poll found that 76 percent of Canadians now believe the health-care system is in crisis.

Many Uninsured Choose Not to Have Insurance

Those who favor a central-government single-payer system often cite the millions who are uninsured as the main reason for the need for universal coverage. However, the number of uninsured is a very soft number. According to the U.S. Census Bureau, in 1998 3.5 million of the uninsured had incomes that exceeded $75,000/year. According to a 1996 survey, 6.3 million had access to health insurance and chose not to pay for it. Actually, medical costs are low for most of us, according to the *Journal of American Health Policy*. They report that 33 percent of the U.S. population have no medical expenses each year. Another 40 percent spend less than $500 per year and only 3 percent spend more than $5,000 per year. A question we must consider is: Are we paying inflated fees for insurance that is not paying for what Americans are asking for?

The stark reality is a single-payer system has not worked well anywhere in the world. Why do some Americans believe we can make it work here? As a practicing family physician, it is frustrating to listen to theoretical arguments for a single-payer system. A far different reality belies the theory, such as the university hospital in the Southwest that advertised for much of the local surgical business. Not long after a successful advertising campaign, they realized that they could not perform the procedures for the price they advertised.

Single-Payer Systems Are Similar to Managed Care

Ironically, managed-care systems function much like a single-payer program because decisions are made at a distance from the consumer. A study by Deloitte and Touche, a consulting firm, found that consumers are not satisfied with managed care. Sixty-two percent believe HMOs make it harder to see specialists; 61 percent believe they have less time with their patients in an HMO environment; and 43 percent are not satisfied with access to their physician. According to the *Yankelovich Monitor* [a publication that studies consumer trends], 70 percent of physicians surveyed characterized themselves as against managed care; 46 percent often think about leaving clinical practice; and the hassle factor has increased due to restrictions on the ability to treat, cumbersome preauthorization and prolonged reimbursement time. California certainly has had challenges with health care. According to Price Waterhouse [a business that provides advice to public and private clients] health-care premiums continue to increase despite declining payments to the physicians. Patients, physicians and politicians are so frustrated that many are ready to accept anything that may provide relief.

Most patients and providers are unaware of the actual costs for clinic visits, hospitalizations, procedures and medications. As a result, the utilization rate for services usually is distorted. Some services may be underutilized,

such as preventive care, or others may be overutilized, such as emergency rooms. Studies have found that if the patient participation is high enough (with additional charges for after-hour services), the utilization rate declines. Some of the positive aspects that have surfaced as a result of managed care are the waste and inflated fees for some services. Physicians, hospitals, vendors, research projects, patients and pharmaceutical companies are all responsible for our inflated health-care costs.

Major medical policies are affordable very similar to high-deductible car insurance. If we had insurance to cover our gasoline, tires and wiper blades, our car insurance would be outrageous. In essence, health insurance is so expensive because we are trying to insure services and products that should not fall under the insurance umbrella. Small-business owners constantly are trying to find a reasonable health-insurance program for their employees. As a result, some employees change health plans yearly. Continuity of care is lost, patient choice is almost unheard of and premiums continue to increase while satisfaction wanes.

Another reality is that costs have increased in all aspects of society. A recent visit by my plumber reminded me that outpatient health-care costs are no more expensive than other services provided. The fear of the major medical events is what drives us all to purchase health insurance.

Patients Should Determine Their Health Care

However, there is a single-payer system that requires no legislation to implement, already has demonstrated its ability to control costs, empowers patient choice, maintains individual privacy and increases access to care. Who is the single payer in this system? The patient! Patients are the best ones to determine the type of health care they should receive. If patients have the incentive to remain well, and if they have access to unspent health-care dollars, they will make very wise health-care decisions.

My partner, Dr. Vern Cherewatenko, and I started a nonprofit group, the American Association of Patients and Providers, to develop solutions to our health-care dilemma that are not a burden to the taxpayers. One program, SimpleCare, eliminates the administrative waste and passes the savings back to the patient. This program initially was developed to help the uninsured. However, the program is also a boon to consumers who have a major medical policy and would like to retain the decision-making authority regarding their health-care dollars. Patients are able to decide the integrative-medicine aspects that meet their needs without the hassle of preauthorization. Patients and providers are thrilled with this program.

Another nonprofit program developed for the uninsured or those who are unable to pay is Cares for America. Patients are seen and a charge generated similar to SimpleCare. The patient then has 90 days to volunteer his or her time with participating community programs. Takin' It to the Streets is a similar program. Providers bring health care to a needy part of the community in exchange for work, such as sweeping the streets, picking up trash or planting flowers.

As employers continue to get out of the health-care industry, there are fewer options for individuals. We should allow the free market to establish the "true" insurance costs by removing the mandated benefits. We also should remove the barrier for medical-savings accounts and allow patients to determine where their health-care dollars are spent.

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