Sick system: Health care: Radical surgery needed

by Donald W. Light in the April 5, 2003 issue

In his State of the Union speech, President Bush set a goal of achieving high-quality, affordable health care for all Americans. “We must work toward a system in which all Americans have a good insurance policy,” he said, so that people can “choose their own doctors, and seniors and low-income Americans receive the help they need.”

President Bush proposed spending “an additional $400 billion over the next decade to reform and strengthen Medicare.” But why strengthen just Medicare and why phase in this appropriation over a decade? Why not move toward universal health care? As he said of tax cuts, if it is “good for Americans three or five or seven [or ten?] years from now, it is even better for Americans today.” Why not achieve his goal now, this year?

Americans, compared with the citizens of other industrialized nations, get less health care for more money. German patients, for instance, get more visits to specialists, more medical tests and more days in the hospital (a week when a child is born) for substantially less cost to the system. Top systems—the best in the world, like France’s—cost a third less per capita.

Among industrialized nations, discrimination against the sick and those at serious risk is allowed only in the United States. Only America permits insurers to charge more to people because they are older or have a history of illness in the family or work for a smaller employer. Only in the U.S. is it legal to exclude coverage for the services people need most because of health risks, current illnesses and chronic disorders. Exclusion clauses for diabetes, obesity, hypertension, mental disorders, cancer or heart disease are regarded as “good business practices” in a voluntary competitive system. But about 40 million people do not have health insurance, and during the booming 1990s that figure rose as more employers dropped coverage or made its terms unaffordable. For each percent that health care costs rise, 300,000

more people are dropped from coverage. Health care costs are rising at 8-10 percent a year.

Increasingly, our voluntary health insurance system is imposing on the insured higher co-payments, higher deductibles, longer waiting periods, exclusion clauses and payment or service limits at the back end of their policies. Then there are more pernicious practices like “policy churning,” in which an employer starts a new policy each year so that anyone who becomes sick may receive no coverage during the waiting period, which is often eight to 12 months.

Nearly half of all employers do not offer health insurance; therefore their employees have to buy a policy in the individual market, where policies cost much more and cover much less than group policies. Further, they discriminate against people with health risks or illnesses—precisely the people who most need coverage and access to medical services. One result: 40 percent of all personal bankruptcies in the U.S. are the result of medical bills.

Businesses in the U.S. claim that health care is too costly, when actually not having universal coverage is the principal reason why the health care costs of business keep rising faster in this country compared with other capitalist societies. Experts in comparative health care systems know that universal coverage is the key to managing costs, prices and volume over the long term. And most universal health care systems are based principally on the services of doctors in private practice. Many other countries have a private system within universal rules for equity and social justice. These realities are dismissed in the U.S. with crude, inaccurate phrases like, “So you’re for socialized medicine.” Visions of patients sitting for hours in drab waiting rooms to see underpaid clinical drudges dance in our heads. Such rhetoric keeps us from seeing reality. There is already much more rationing of medical services in the U.S. than in other well-run systems.

In our current voluntary competitive system, no officer of an insurance company can carry out a social ethic of covering those who most need care without getting fired. He or she would be replaced by someone who “understands the business,” which is based on risk assessment in order to charge more or cover less for those at higher risk.

Many Americans consider universal health care a personal responsibility. Yet most of them also support universal access to public education. Like public education,

universal health care actually promotes the American values of individual responsibility, choice and freedom: it enables people to stand on their own feet, to exercise their individual freedoms and to assume responsibility for themselves. In fact, an illness or disability can more quickly hobble an individual than missing a year of education.

High-quality care can be had for all residents for about one-third of what Americans now pay. Universal health care would liberate employers from supporting a wasteful, fragmented system that does not cover one in six Americans, and it would lower their costs so that they could be more competitive. The U.S. ranks 72nd in the world in health gain per $1 million spent, far below all other industrialized countries. Between 16 and 20 percent of the $1.4 trillion spent on health care could be saved ($224-280 billion) with a simplified universal system, enough to provide universal access to everyone.

The piecemeal changes in the system proposed by President Bush, such as a drug benefit for the elderly, will not control rising costs and increased overhead. As a result of such changes, people will become more convinced that universal health care is unaffordable. This is the irony of partial reforms: they make the case against universal access seem more compelling.

The time may be ripe for more a more radical overhaul of our health care system. A recent Kaiser Family Foundation survey indicates that nearly 40 percent of Americans are “very worried” that their medical expenses will rise in the next six months. Despite terrorist threats, possible war with Iraq and a deteriorating economy and stock market, the Kaiser poll indicates that health care cost is the number one concern of the public.

Churches need to stand up and be counted as advocates for reforms (like universalizing Medicare) that reflect a biblical ethic of justice, fairness and care for the sick and marginalized. Many Christians support programs for the victims of domestic violence, child abuse, racism and poverty. Yet most church social programs leave out a key component: universal and readily available access to medical care—which is critical to so many of the people they try to help.

The call for universal health care has been endorsed by the United Methodist Church, the Episcopal Church, the Evangelical Lutheran Church in America, the Presbyterian Church (U.S.A.), the American Baptist Churches, the Union of American

Hebrew Congregations, the United Church of Christ, the Friends Committee on National Legislation, the National Council of the Churches of Christ, and many others. But denominations, churches and individuals need to become more active and make this issue an integral part of their other social programs. They need to discuss what a just health care system would look like. They will find help in *Benchmarks of Fairness for Health Care Reform* (Oxford University Press, 1996). Here are some highlights:

First, a just health care system should cover everyone for all needed services and require that everyone participate in proportion to his or her income. Second, neither contributions nor coverage should vary based on type of illness or an individual's ability to pay. These two stipulations mean that the cardinal value of choice is maximized for everyone, not for the healthy at the cost of those with health risks and illnesses. Third, providers should be paid fairly and equitably for their valued services. This also enhances choice.

Fourth, the system should be designed to minimize waste, inefficiency and administrative costs. Waste can be minimized by starting with a well-funded public health system and a strong primary care system, with emphasis on prevention that enables patients to take care of themselves as much as possible. Good specialty and hospital care rest on these foundations.

Finally, decisions need to be open and democratic, and services should be accountable to patients and citizens. All providers and insurers must report to the public on the costs and quality of their services.

The first step for churches is to realize that advocating universal access to medical services is the missing piece in their social outreach.