Still in poor health

From the Editors in the January 31, 2001 issue

It seemed at times during last fall's presidential election that the most crucial issue facing the nation was the price of prescription drugs for senior citizens. Besides indicating the importance of the over-65 voting bloc, the candidates' focus on this issue revealed how limited political aspirations are these days, especially on health care. Comprehensive reform of health care is virtually a dead issue. Ever since Hillary Clinton's proposal for universal access to health care crashed and burned during Bill Clinton's first term, it's been a political axiom that only incremental changes are feasible.

Clearly, health care issues remain important to people, and politicians of all stripes want to address some of the glaring problems. Meanwhile, the politicians have decided to ignore the fundamental flaws in the system. All the problems that led to the quest for universal access in the early 1990s remain with us. The nation continues to spend about twice as much per capita on health care as does Canada or Western Europe, but with poorer outcomes as judged by figures on infant mortality and life expectancy. And though many people in the U.S. enjoy the best medical care in the world, over 40 million people are uninsured (a figure that has grown through the 1990s), whereas other nations are able to provide coverage for all citizens. As Marcia Angell of Harvard Medical School wrote recently in the *American Prospect*, the "only plausible explanation" for this situation is that the U.S. system is "staggeringly wasteful and inflationary."

Another politically popular incremental reform is the so-called patient's bill of rights. This is an attempt to give patients some leverage against the cost-cutting measures imposed by "managed care" organizations, which dictate to patients and doctors what medical procedures can be performed. A patient's bill of rights is a worthy effort, but it sidesteps the fundamental problem with "managed care": it is designed to meet the needs not of doctors and patients, but of insurance companies and employers, both of whom want to keep costs down. And as Angell points out, any government strictures put on managed care are likely to result in price increases passed on to employers and employees in the form of increased premiums—and none of this will help those who have no insurance at all.

After a period of stability in the mid-1990s, medical costs have started rising again. Millions of Americans have no health insurance. The nation's ability to fund Medicare for an increasingly elderly population remains uncertain. Perhaps it is the American way to address these issues in piecemeal fashion. But the pieces are all part of the same health care puzzle, and eventually the puzzle will have to be put together.