Asking about single-payer

By Dr. Susanne King
Berkshire Eagle 2/15/08

I often talk with people about health care reform, advocating for single-payer health care as the only answer to problems that include 47 million uninsured people in the United States, and an even greater number of underinsured; the economic pressure on businesses; and the rising costs of health care for our country, states, towns and individuals. Here are the questions people most frequently ask.

1) What is single-payer health care?

"Single-payer" refers to the administration of the health care funds by one payer, rather than the current multiple insurance companies. This payer could be either the state or the federal government. Every other industrialized country in the world has a single-payer system.

2) Is this socialized medicine?

No, because hospitals would still be privately owned, rather than owned by the government, and doctors would still be in private practice. "Single-payer" refers to the taking in and paying out of the health care dollars, which would replace the current role of private insurance companies. Traditional Medicare is a single-payer system that has been in place for many years.

3) Doesn't Medicare have big problems?

Traditional Medicare has worked very well for patients, and they have been happy with it. However, the intrusion of private insurance companies into the administration of Medicare, first with the introduction of private HMOs in the 1980s, and then by President Bush with subsidies to the insurance companies for drug plans, has wrought havoc with the program.

The insurance companies now see Medicare as a cash cow, creating an economic burden on the program, to the tune of billions of dollars per year. Subsequently payments to doctors, the actual providers of care, have been cut.

4) Can we afford single-payer, if that means covering 47 million uninsured people?

We already pay enough for comprehensive coverage for everyone. We just don't get coverage for everyone, because 31 percent of our health care spending goes for administration through the patchwork of private for-profit insurance companies. Potential savings from eliminating the waste and astonishing profits of insurance companies (like Massachusetts' Blue Cross/Blue Shield's 2006 compensation of over $16 million to its retiring CEO William Van Faasen), has been estimated at $350 billion per year.

5) Won't there be waiting lines or rationing with single-payer?

The United States currently rations care based on ability to pay, and 18,000 Americans die every year because they lack health insurance. Canada has a single-payer system, and their waiting times for care are shorter than commonly believed. In 2005, the median wait for specialists or elective surgery was four weeks. Canadians live longer and are more satisfied with their health care than Americans, while paying half as much per person.

6) Won't our aging population break the bank in a single-payer system?

Japan and Europe both have a higher percentage of elderly citizens, yet they spend much less on health care than we do, and have better outcomes. Universal access through a single-payer system prevents more advanced stages of illness, and will pay for long-term care rather than costly hospitalization.

7) Some people like their insurance; why should they change?

Our current system is tied to employment; people change or lose jobs, which disrupts their coverage. Others find their coverage fails when they get sick: 75 percent of the one million Americans experiencing medical bankruptcy each year were insured when they got sick. And insurance premiums go up by double digits every year, for policies that cover less and less.

8) How would single-payer be financed?

Currently about 60 percent of our health care system is financed

by public money (our taxes), 20 percent by private employers, and 20 percent by individuals. With a state or national single-payer health program, the public money would be retained. There would be a payroll tax on employers (approximately 7 percent) and an income tax on individuals (approximately 2 percent). The payroll tax would replace all other employer expenses for employee health care. The income tax would take the place of all current insurance premiums, co-pays, deductibles, and any other out-of-pocket payments.

For the vast majority of people, a 2 percent income tax is less than what they now pay for insurance premiums and out-of-pocket payments such as co-pays and deductibles, particularly for anyone who has had a serious illness or has a family member with a serious illness. Many small employers now have to pay 25 percent or more of payroll for health insurance, and large employers now pay roughly 8.5 percent. Everyone would have more comprehensive coverage: in addition to medical care and drugs, benefits would include mental health care, dental care, and long-term care.

9) Who would run a single payer plan?

It is a myth that with national health insurance the government will be making the medical decisions. The government would only be the administrator of the health care funds.

In a publicly financed, universal health care system, medical decisions are left to the patient and doctor, and the public has a say in how the system is run. Cost containment measures will be publicly managed at the state level by an elected and appointed body that represents the people of that state. This body, in consultation with medical experts in all fields of medicine, will decide on the benefit package, negotiate doctor fees and hospital budgets, and be responsible for health planning and the distribution of expensive technology. Right now, insurance companies make many health care decisions behind closed doors, and their interest is in profits, not our health care.

10) Won't doctors dislike a single-payer system?

Most doctors are very dissatisfied with the current system, because of its administrative burden, and because insurance companies create hurdles to providing care doctors think their patients need. Physicians would like to make medical decisions with their

patients, without the intrusion of the profit-motivated insurance companies. In addition, doctors now provide care for which they don't get reimbursed, when patients are unable to pay because they are uninsured or underinsured. More and more physician groups are supporting single-payer. Physicians for a National Health Program now has 14,000 members.

11) How would we get to a single payer system?

There are bills in the state legislatures and in Congress. Single-payer legislation for our state is the Massachusetts Health Care Trust, Senate bill 703. Federal legislation is HR 676, now supported by 88 congressmen, including Rep. John Olver.

In Canada, single-payer health was introduced province by province, rather than at the national level. Support for single-payer health care is increasing as people learn about the benefits of this solution for our broken health care system.

If you wish to learn more, visit the Web sites www.pnhp.org, www.masscare.org, or www.sickocure.org

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