

Introduction realistic response to the growing inadequacies within



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INTRODUCTION Compensating the affairs of economic efficiency with the demands of sociopolitical rights is a constant source of tension in Canada and the United States alike. In no other element is this tension more apparent than in the group of complex markets we call the health care system. Canadians have been fortunate enough to receive a universal health care system for nearly forty years. This is a single-payer system funded by the governments, both provincial and federal, but at what costs? Is health care not unlike any other commodity, or is it the privilege of every citizen? Health care has elements of common economic behavior, however, there are also certain social values associated with it. It is this struggle of defining what health care is that causes such anxiety among economists. The Canadian health care system is slowly crippling the economy, and reforms must be devised to preserve the pride of Canada; our health care system itself.

The pluralistic health care scheme of the United States, as well, has serious socioeconomic implications, and American policy makers are looking toward the model of the Canadian system for answers. Both the United States and Canada must reform health care policy, but to what extent? Obviously these questions cannot necessarily yield clear, concise answers, however they will provide insight into analyzing the current and proposed systems of health care. Certainly if Canada is to maintain a high standard of care it must adopt an economically efficient, revenue generating system. Moreover the United States must adopt the single-payer system of Canada while still retaining a strong revenue base. This paper will discuss the strengths and shortcomings of the Canadian health care system, and how health care is a sociopolitical

enigma. Furthermore, how the single-payer system is the only realistic response to the growing inadequacies within the American socioeconomic status.

CANADIAN HEALTH CARE STRUCTURE Serving as a general background in its appraisal, it is necessary to outline the history and the ambient factors of the Canada health care that is so sought after by the United States. The Canadian health-insurance program, called Medicare, is administered by provincial governments and regulated and partly financed by the national government. Medicare pays basic medical and hospital bills for all Canadians, where the governments determine the criterion of basic care, to insure and maintain a standard level of service. As early as 1919, Canada's Liberal party promised national health insurance, but the first real step was taken in Saskatchewan, where in 1947 province wide hospital insurance was introduced. A national hospital-insurance act followed in 1958, and by 1960, 99% of Canadians were covered by government run hospital insurance. Saskatchewan was again the first in 1961 to introduce medical-care insurance which covered doctors' services as well.

However, this was not an easy transformation. In 1962 when the medical insurance act was implemented, the doctors of Saskatchewan went on strike. As a part of the settlement the government agreed to a modified plan that addressed some of the doctors' grievances. Despite the opposition from provinces, doctors and insurance companies, national Medicare legislation was in place by 1967, and today health care is a constitutional right. The arrangement reached by all provinces by 1972 was that the federal

government paid half the cost of the provincial plans, provided the plans met <https://assignbuster.com/introduction-realistic-response-to-the-growing-inadequacies-within/>

five principles: accessibility, universality of coverage, portability from province to province, comprehensiveness of service, and government administration.

Under the system the health care provider bills the provincial plan directly. The Canadian Health Act, effective in 1984, clarified the national standards and may penalize provinces that allow doctors to bill for more than the Medicare rate. The Canadian provinces spend a third of their budgets on health and hospitals. High-tech medicine and an aging population have caused Canada's medical costs to rise significantly over the past decade. Increasingly, governments attempt to control costs by promoting personal fitness, cutting back the number of hospital beds and establishing caps on doctors' earnings. The costs have become so overwhelming some provinces have considered revoking coverage of prescription drugs for seniors, optometry, physiotherapy, and chiropractic treatments.

There are no doubt different views regarding spending for health care, however, few wish to revert to a free market