

Why americans could benefit from universal health care research paper

[Economics](#), [Insurance](#)



Introduction

According to the Institute of Medicine (2004), part of the National Academy of Sciences, there are more than 43 million uninsured Americans, based on data for year 2002 alone (p. 1), while data from the US Census Bureau report that the number of uninsured has risen to a record of 46 million, in 2009 (census.gov). The enormous number of uninsured individuals, which is as large as the population of 26 states combined, brings harmful effects to the uninsured, their families and the entire country too (Institute of Medicine, 2004 p. 1). Despite the fact that medical technology has significantly advanced over the years, with American leading the world in spending on health care, it is the only country that does not provide insurance coverage to all its citizens (iom.edu), plus, insurance is most frequently unaffordable and unreachable to many American citizens (Appleby, 2007). An article in New York Times that was published in 2006, reports that health care costs in the United States rise twice as fast as inflation, costing employees approximately \$3,000 only for family coverage per year, while the overall annual health care costs exceeded \$11,000 (Freudenheim, 2006). So, what is the point of having high-end medical technology that saves lives, if citizens cannot benefit from it? Unfortunately, the United States is the only industrialized country in the developed world that does not provide Universal Healthcare to its citizens (Fisher, 2012); however, implementing a universal healthcare system could benefit Americans, in more ways than one.

- Definition of a Universal Healthcare System

Himmelstein and Woolhandler (1994) define a universal health care system as a one that provides all of its citizens with similar health care coverage (p.

<https://assignbuster.com/why-americans-could-benefit-from-universal-health-care-research-paper/>

2). A universal health care system does not only pay for citizens' health care, but guarantees that there are sufficient health care professionals in health care facilities to serve the best of people's health care needs. The World Health Organization (2012) mentions that " The goal of universal health coverage is to ensure that all people obtain the health services they need without suffering financial hardship when paying for them" (who. int).

- Problems in the U. S Health Care System

- Uninsurance and Increased out-of-the pocket Healthcare Cost

The rising number of uninsured people in the United States is a major problem sawing the foundations of the current health care system. However, in order to determine the benefits of universal healthcare for Americans, it might be best to first familiarize ourselves with the widespread effects of un-insurance.

Like aforementioned, uninsured US citizens have reached a profound 46 million, until 2009, and statistics show that uninsured people are increasing within each passing year. Statistics also show that 80 percent of those uninsured are members of working families, where the one that works is usually employed without being offered health insurance, or the health insurance offered is turned down due to unaffordable cost (Institute of Medicine, 2004 p. 1).

What is more, workers cannot afford premiums anymore; hence private insurance percentages drop, given that premiums have increased by 7. 7 percent, while the earnings of workers increased by almost half of it (Hansen, 2007). That means that patients are most likely to delay treatments, more working parents will have uninsured children and doctors

will see lots of uncompensated care (Hansen, 2007).

The Institute of Medicine (2004) mentions that uninsured people die sooner and experience worse health conditions, compared to those that have health insurance mainly because they delay to receive health care and help diagnose a health problem (p. 1). Indicatively, in Maine, about 130 people die every year, due to lack of health care, which means that one person every three days passes away because they are either under-insured or no insured at all (Pease, 2013).

In terms of numbers, the following table demonstrates the worrying trend that seems to have taken over the American health care system.

(Taken from: [http://www.amednews.](http://www.amednews.com/article/20070917/government/309179986/1/)

[com/article/20070917/government/309179986/1/](http://www.amednews.com/article/20070917/government/309179986/1/))

The Institute of Medicine (2012) reports that US healthcare has become too costly and rather flawed, mainly due to the fact that for every dollar spend on medical care, one third of it is wasted, leading to a profound \$750 billion per year; and, as Steven Brill (2013), author and journalist of Time Magazine mentions, the US healthcare system lacks uniformity, since “ public and private insurers have separate, unrelated contracts with hospitals and doctors. The result is a tangled, confusing and largely secretive collection of forces driving health care prices higher and higher”.

Moreover, as of now, US citizens that are under employer-based insurance do not have the right to choose their own health care insurance. So, many employers, simply remain in their jobs out of fear of losing the coverage offered by the employer-based insurance.

- Healthcare Pricing

A huge issue that makes US families kneel is health care pricing. It is estimated that an average family of four spends an annual sum of \$20, 728 on healthcare today (Munro, 2013). An article posted in Forbes magazine reports that pricing in healthcare is not set by “ a combination of the Government and Commercial Insurance companies which does pay for Medicare, Medicaid, the VA, Federal Employees and healthcare services on behalf of millions of beneficiaries” (Munro, 2013). The Specialty Society Relative Value Scale Update Committee or Relative Value Update Committee, is the sole responsible for setting prices in healthcare (Munro, 2013). To get an idea, physicians used to be paid on a charge-based system, which means they were paid what was perceived reasonable and customary, up until 1992, when the Medicare fee schedule was implemented. Specialties were paid significantly higher than primary care physicians, and procedures were overvalued while services undervalued (Medicare Payment Advisory Commission, 2006 p. 137). So, both public and private health insurance third-party payers recommended a new payment system. For that reason, the Omnibus Budget Reconciliation Act of 1989 was passed, as a means to restore balance between specialties and primary care and keep pricing at a fair level on all aspects related to healthcare (The Library of Congress); however, the law was never fully implemented, because of the Relative Value Update Committee’s objections, among other reasons (Schroeder, 2011). If one takes into account that the Relative Value Update Committee was founded by the American Medical Association, which is a private organization itself (Munro, 2013), healthcare costs and potential financial agreements that might have been made under the table raise serious

skepticism, and definitely require immediate action for transparency. Public health in the United States is in the hands of those with possible conflicts of interest due to their financial relationships

- What went wrong and universal healthcare was never implemented in the United States?

As a matter of fact, universal government-funded healthcare is being discussed ever since late 1800s, without any luck to actually implement it, as of now (Palmer). What other European countries, like Germany, Austria and Britain, among others, did back then and has proven effective, is to set a form of universal healthcare by having social insurance, which later evolved to national insurance, and compulsory sickness insurance, so wage loss of sickness does not exist anymore (Palmer). Having to pay for medical expenses came afterwards. The US, on the other hand, took no affirmative action to impose sick insurance, and it seemed that everybody was trying to wash their hands of the responsibility of healthcare, with federal government passing healthcare ruling to state governments, which, in turns handed healthcare over to private programs (Palmer). Also, when other European countries forwarded a “ political debate under anti-socialist sponsorship” (Palmer), the US did not, while the working class in America was not strong enough to support universal social insurance or sickness funds, unlike Europe (Palmer).

- Benefits of a universal health care system in the United States

Giving the same quality health to everyone, without health care be dependent on the individual’s age, employment, health or wealth, definitely sounds fair and just. Patients get a saying to their own healthcare and chose

their physicians, instead of just letting their health care in the hands of insurance companies to choose for them. Also, if a family member has an accident of somehow, people will no longer fear of going bankrupt and be pushed to poverty (Pease, 2013).

It becomes obvious that universal health care will directly affect Americans and their health. People will not have to die anymore from lack of insurance. After all, it is everybody's right to have proper health care. Other than that, a healthy individual is a productive employee and active contributor to their family and community; hence the country's overall prosperity is promoted. Moreover, doctors will finally be able to focus on patient care, rather than administrative tasks (Garcon, 2000).

On top of that, insurance premiums that burden families and small businesses will be eliminated, since health care will be funded with progressive taxes (Pease, 2013). Plus, the US government will be given the chance to negotiate with pharmaceuticals for fair prices, which will help cut down on unnecessary "administrative waste generated by the private health insurance industry and by the bureaucratic complexities of the Affordable Care Act" (Pease, 2013). Of course, transparency and no more "under the table" agreements with private third-party health providers should be ensured, before anything else is implemented. Unfortunately, transparency is a very serious issue that needs sweeping restructuring.

That being said, patients will be guaranteed improved care and coverage choice and access. For example, people with potential heart disease cannot access preventive care to help them deal with their medical condition; with universal healthcare, they will (Garcon, 2000). Plus, "Insurers would benefit

by receiving payments that are based on the severity of patients' conditions" (Garcon, 2000).

A well-run people-centered universal healthcare system that meets patients' health needs, helps detect any possible health conditions with efficient preventive care and help patients with treating their disease and rehabilitation, are some of the benefits of universal healthcare. If the US government manages to finance health care services in an affordable way, so its citizens do not face financial problems when they want those services, then a sound basis for true universal healthcare would have been set.

However, universal healthcare actually means what it says: health care for everyone, including the uninsured. But, ensuring essential health care for the entire population will certainly not be cost-effective. Right now, the governments, both federal and state, pay more than \$23 billion for uninsured.

According to estimates, it will need about \$89 billion to cover the uninsured of 2013 (Garson, 2000). So, the need to find ways to cover for all the uninsured that keep rising will be a burning issue in years to come from now on. The US government will have to come up with sources of revenue that will allow all its citizens have access to healthcare.

Of course, nothing is expected to happen overnight, as it takes time for everyone involved to adjust to the new order of things. In Canada, for example, it took about 50 years to pass hospital and doctor care in a single province, and another 10 full years before the entire country could get the point (Palmer). It certainly takes a lot of work done until universal healthcare is a fact.

There are numerous viewpoints as to what can, or should, be done to help implement a universal healthcare system. The Institute of Medicine (2004) suggests that the current employer-based private insurance should remain, and expand public programs, alongside introducing new tax credits (p. 5). Also, Medicare is suggested to be extended to those aged 55 that pay a premium, and tax credit should be better given for those citizens that have a moderate income (Institute of Medicine).

Conclusion

The implementation of a universal health care system is an issue that has been in talks since late 1800s, without ever finding the way to apply it to the United States. Healthcare costs have climbed up to about \$11, 000 for a 4-member family, which has become unbearable to many. The current healthcare system is like a boat that is leaning on one side, ready to submerge to water, with more than 43 million of American citizens that were uninsured in 2009, either because they can't afford an insurance, or because they were never provided with one by their employers. Unfortunately, the number of the uninsured keeps rising within each passing year, which is a shame, given the medical advancements that have taken place throughout the years and can save people's lives. Uninsurance makes people withdraw from preventive care, which results in them experiencing health problems that are not properly treated, which is why many have died. A universal healthcare system will allow all patients have access to a fundamental right of theirs, that of healthcare, while physicians will finally be able to focus on patient-care rather than any administrative task. There are many

suggestions as to how a universal healthcare system could be implemented in the United States, however, the most immediate need is to find a way to cover the uninsured. Moreover, tax credits should be reconsidered. Of course, nothing can happen with a blink of an eye. It takes hard work and reform from the heart of healthcare itself.

References:

- Appleby, Julia (2007), Health insurance premiums vault past inflation. USA Today. Retrieved Nov. 10, 2013 from: http://usatoday30.usatoday.com/money/industries/health/2007-09-11-insurance_N.htm
- Brill, Steven (2013), Bitter Pill: Why Medical Bills Are Killing Us. Time Magazine. Retrieved Nov. 11, 2013 from: <http://content.time.com/time/magazine/article/0,9171,2136864,00.html>
- Fisher, Max (2012), Here's a Map of the Countries That Provide Universal Health Care (America's Still Not on It). The Atlantic. Retrieved Nov. 10, 2013 from: <http://www.theatlantic.com/international/archive/2012/06/heres-a-map-of-the-countries-that-provide-universal-health-care-americas-still-not-on-it/259153/>
- Freudenheim, Milt (2006), Health Care Costs Rise Twice as Much as Inflation. The New York Times. Retrieved Nov. 10, 2013 from: http://www.nytimes.com/2006/09/27/business/27insure.html?_r=0
- Garcon, Arthur (2000), Current Perspective-The US Healthcare System 2010 Problems, Principles, and Potential Solutions. American Heart Association Journal. Retrieved Nov. 11, 2013 from: <http://circ.ahajournals.org/content/101/16/2015.full>

Hansen, Dave (2007), Uninsured count jumps to 47 million. American Medical News. Retrieved Nov. 10, 2013 from: <http://www.amednews.com/article/20070917/government/309179986/1/>

Himmelstein, David & Woolhandler, Steffie (1994), The national health program book. Monroe, ME: Common Courage Press.

Medicare Payment Advisory Commission (2006), Report to the Congress:

Medicare Payment Policy. Retrieved Nov. 11, 2013 from: http://www.medpac.gov/documents/Mar06_EntireReport.pdf

Munro, Dan (2013), Healthcare's Pricing Cabal. Forbes magazine. Retrieved Nov. 11, 2013 from: <http://www.forbes.com/sites/danmunro/2013/02/11/healthcares-pricing-cabal/>

Palmer, Karen (1999), A Brief History: Universal Health Care Efforts in the US.

Physicians for a National Health Program. Retrieved Nov. 11, 2013 from:

<http://www.pnhp.org/facts/a-brief-history-universal-health-care-efforts-in-the-us>

Pease, Julie (2013), America needs cost-effective universal health care. Sun Journal. Retrieved Nov. 10, 2013 from: <http://www.pnhp.org/news/2013/august/america-needs-cost-effective-universal-health-care>

Schroeder, Steven A. (2011), Personal reflections on the high cost of

American medical care: Many causes but few politically sustainable

solutions". Archives of Internal Medicine 171 (8): 722-727. doi: 10.

1001/archinternmed. 2011. 149. PMID 21518938

The Library of Congress (n. d), Bill Text 101st Congress (1989-1990) H. R.

3299. PP. Retrieved Nov. 11, 2013 from: <http://thomas.loc.gov/cgi-bin/query/z?c101:h.r.3299.pp>

<https://assignbuster.com/why-americans-could-benefit-from-universal-health-care-research-paper/>

United States Census Bureau (2009), Health Insurance: Highlights: 2009.

Retrieved Nov. 10, 2013 from: <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2009/highlights.html>

World Health Organization (2012), What is universal health coverage?

Retrieved Nov. 10, 2013 from: http://www.who.int/features/qa/universal_health_coverage/en/index.html

Retrieved Nov. 10, 2013 from: http://www.who.int/features/qa/universal_health_coverage/en/index.html

http://www.who.int/features/qa/universal_health_coverage/en/index.html