

Resolving the Health Care Crisis: The Case for a Single-Payer System

By Dr. Steven L. Delaveris

More than 43 million Americans have no health insurance, and the ranks of the uninsured are growing. Employers find it increasingly difficult to provide affordable health coverage for their workers. Lacking the resources to provide basic health care for their families, many of the uninsured and under-insured seek primary care in expensive hospital emergency room settings, thereby further stressing the system. In the short term, the use of ER docs as primary care physicians drives up hospital costs. In the longer term, patients without regular care lack follow-up and preventive services.

As a cost saving measure, Medicare and insurance companies have begun to reduce provider fees, and physicians are feeling the pinch. Many are paid less today than they were three years ago for the same services. At the same time, physicians are paying more for everything from milk to malpractice insurance.

Meanwhile, health insurance companies prosper. For the first six months of 2003, Aetna, UnitedHealthcare and Anthem Blue Cross and Blue Shield posted combined net income of more than \$1.6 billion. Not surprisingly, insurance company executives (not just CEOs) on average earn several times as much as the average full-time primary care physician.

Apart from insurance company profits, there's the paperwork problem. Health insurance administration costs in the United States account for more than 30 percent of health-care expenditures—an annual cost of more than \$1,000 per person, just for processing claims and filling out forms.

Insurance companies and paper-pushers are not the sole culprits. There's plenty of blame to share. Consumers must bear responsibility for the costs of their own bad behaviors: smoking, obesity and substance abuse. And we all need to understand the financial impacts of our demands for name-brand prescription drugs over generic or over-the-counter counterparts that have the same effects, yet cost far less.

A Single-Payer Solution

Health and lives depend on access to health care. The bottom line is that the health-care landscape must find a way to heal itself so

that everyone, regardless of ability to pay, can be afforded health-care coverage. Let's turn the focus away from misplaced angst over physician-owned hospitals, away from runs to the Canadian border in search of cheaper prescription drugs. Let's focus instead on an action that will help us measure up.

According to **Physicians for a National Health Program (PNHP)**, a Chicago-based national advocacy group comprised of physicians, medical students and other health-care professionals, "a single-payer system" (where the government finances health care but keeps the delivery of health

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care to mostly private control) is the only solution to solving the United States' many health-care problems: 43 million citizens with no health insurance, many more with only limited coverage, skyrocketing health insurance premiums, malpractice costs, long-term care issues and relatively poor health indicators, when compared to similar industrialized nations."

The PNHP champions the United States National Health Insurance Act (HR 676) that is currently being kicked around by Congress. As summarized by PNHP, HR 676 will:

- Create a publicly financed, privately delivered health-care program that uses the existing Medicare program, expanding it to cover all residents of the United States and its territories.
- Reduce overall annual health-care

spending by more than \$50 billion in the first year. In addition, because HR 676 implements effective methods of cost-control, health spending will be contained over time, ensuring affordable health care to future generations.

- Save more than \$150 billion on paperwork in the first year, plus \$50 billion by using rational bulk purchasing of medications. These savings would be more than enough to cover all the uninsured and improve coverage for everyone else, including medication coverage and long-term care.

A Modest Tax

To finance the single-payer system, all employers will pay a modest (3.3 percent) payroll tax, while eliminating their payments towards private health plans. The average cost to an employer for an employee earning \$35,000 per year will be reduced to \$1,155—less than \$100 per month.

Seniors and younger people will have the comprehensive coverage they need, and 95 percent of families will pay less for health care under national health insurance than they do today.

A single-payer system means no more band-aids for Medicare and no more funding on the backs of providers. Change can be brought about by joint advocacy. Let's develop coalitions of force, championed by CEOs, business owners (who still provide insurance benefits to more than 60 percent of Americans), health-care providers and the public.

If Columbus can be a testing ground for everything from McNuggets to mocha lattes, the Columbus medical community can certainly help write the prescription for significant change in our nation's health-care system. ♦

Dr. Steven L. Delaveris practices family medicine at the Millhon Clinic in Columbus and is on staff at Riverside Methodist and St. Ann's hospitals and Grant and Ohio State University medical centers. He is a member of Physicians for a National Health Program and a principal and CEO of doshealth (www.doshealth.com), a physician service organization.

