

The “Public Option” Fails As Health Policy:

	Single-Payer	“Public Option”
Number Insured	Universal Coverage	Millions remain uninsured or underinsured
Coverage	Coverage for all medically necessary services.	Insurers continue to strip-down policies and increase patients’ co-payments and deductibles.
Cost	Redirect \$350 billion in administrative waste to care; no net increase in health spending.	Increase health spending more than \$1 trillion over 10 years.
Savings	\$350 billion in administrative waste. Further systemic savings achieved through negotiated fee schedule with physicians, global budgeting of hospitals, bulk purchasing of pharmaceuticals, rational planning of capital expenditures, etc.	Add further layers of administrative bloat to our health system through the introduction of a regulator / broker “exchange.”
Sustainability	Large scale cost controls (global budgeting, capital planning, etc.) ensure that benefits are sustainable over the long term.	Uncontrolled costs ensure that any gains in coverage are quickly erased as government is forced to hike spending or slash benefits.

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But Getting “Something” is Better than Getting “Nothing,” Isn’t It?

Not if that “something” makes it more difficult to reach a real solution and ensures temporary relief will be followed by prolonged suffering. The “public option” may allow some people to buy inadequate insurance products for a short time. But such a system will quickly be crushed by the weight of rising health care costs, as Medicaid, SCHIP and dozens of state initiatives have been.

In addition, expending political capital on reforms that we know will fail makes the public cynical and gives ammunition to those who say that the government cannot create effective programs. Hence, any attempt at real reform is delayed, usually by decades. The minor temporal relief that reformers might get by acquiescing to insurance industry demands is simply not worth the continued suffering of the American people.

But Such a System to Could be a “Step” Towards Universal Coverage, Right?

No. Enacting phony “universal coverage” has not brought any state closer to a single-payer system. Since the early 1990s, Minnesota, Oregon, Maine, Florida, Utah, Washington, California, Vermont and Massachusetts have been among the states that have attempted to “patch-up” their fundamentally flawed systems while retaining a place for insurance companies. All have failed. Upon passage, incremental reforms in each of these states were hailed by politicians and the media as a “step toward universal coverage.” Yet despite all the claims of pragmatism, incremental reformers have been unable to shepherd through meaningful change in nearly four decades of trying. And while reformers in these states continue to wait for the next “step,” residents continue to suffer.

The definition of insanity is to repeat an action expecting a different result. This is exactly what we have done in continuing to advocate incremental reforms as “steps” toward single-payer. What Americans need is not more proposals for patchwork reforms. We need leaders willing to stand up for the only solution that will work.