Arguments and counterarguments about universal health care

Compiled by Kao-Ping Chua, AMSA Jack Rutledge Fellow 2005-2006

Arguments by those who are opposed to the idea of UHC

Arguments related to individual responsibility

It's the uninsured's fault that they're uninsured

- 8 out of 10 of the uninsured work or come from working families. They play by the rules, work hard just like the rest of Americans, and yet they can't get insurance from the employer because it's not offered, or they can't afford it if it is offered. Is that their fault?
- Is it really anyone's fault that health insurance is so expensive that they can't afford it? The high costs of health care are due to influences beyond any one individual's control - they are influenced by society-wide trends towards increased use of technology, high administrative costs of our healthcare system, and a strong profit motive in the health insurance industry that drives up the cost of premiums.

The uninsured should take more individual responsibility to get insurance. It's not our responsibility to give them insurance.

- A small percentage of the uninsured can afford insurance but choose not to obtain it. Most of these are young, healthy individuals. Should these people go to the ER or become hospitalized, their medical bills may become so great that they can't afford to pay it, in which case the hospital often writes off all or part of their bill as "uncompensated care." In so doing, government and individuals with private insurance end up subsidizing the cost of care for these people, who essentially become "free-riders" off the system.
- For the vast majority of the uninsured, however, inability to afford health insurance, and not a conscious choice, is the reason they are uninsured. It's fine to say that people should take individual responsibility if they can afford to carry out that responsibility. Since this is not the case for the majority of the uninsured, it becomes ridiculous to argue that the problem of uninsurance can be solved with simple individual responsibility.

The uninsured are lazy and free-ride off the health care system – why should I care about them?

- If we had a system of universal healthcare, in which all Americans were able to access the healthcare system when needed, there would be no need for uncompensated care. This should appeal both to those who dislike free-riding as well as well as to the uninsured, most of whom don't have any other choice but to take advantage of uncompensated care.

Universal healthcare would essentially be a government handout to the uninsured.

- Universal healthcare would result in a number of moral, economic, and cultural benefits. It is not a welfare policy for the uninsured; rather, it is a policy whose benefits would accrue to all Americans. For example, universal healthcare would save money, improve our health, and create a society with more equal opportunity. These are things all Americans can enjoy.
- There are many services that are provided by the government that can be seen as "handouts." Corporate welfare (e.g. the subsidization of oil companies by the government through tax breaks and direct subsidies) might be a government handout, depending on one's political perspective.
- Education is something that is provided by the government. Is education a handout to society? Or is it a wise policy that makes America stronger?

Why should I pay for someone else's poor health choices? I don't want to pay for some crackhead's addiction.

- Even if you're healthy and have private health insurance, someone is already paying for your health care costs anyways. The federal government subsidizes private health insurance by exempting health care costs as a taxable expenditure by employers and by considering health care benefits to employees tax-free. This is a net loss of at least $100 billion in taxpayer dollars to the federal government, a loss that is obviously financed by all Americans.
- People make poor choices all the time, but is it better to punish them for their poor choices or to help them make better choices? UHC would allow for people to visit their doctors more often and receive counseling on how to live healthier lifestyles.
- Some people are unhealthy because they don't take care of their health, but some people are unhealthy because of things they can't help, such as genetic predisposition. The strong interaction between environment and genetics makes it extremely difficult to tease out whether poor health can truly be completely blamed on someone's behavior.
- If you can prove that you have 100% control over your own health, then go ahead and judge others for being unhealthy, as their poor health is obviously in your view entirely their fault. The fact is, however, that no one has 100% control over their own health – no one can prevent being hit by a drunk driver, and no one can control their genetic predispositions.
- It's easy to judge people for not taking care of themselves when you're healthy, but will you still be able to judge people when your body starts breaking down?

Arguments that the uninsured are already taken care of in this country

The uninsured already get free healthcare.

- This is a common myth. In fact, among families with at least one uninsured member, less than a quarter report getting free or discounted care in any given year (Kasper J, Giovannini T, and Hoffman C. "Gaining and Losing Health Insurance: Strengthening the evidence for efforts on access to care and health outcomes." MCRR. 57(3): 298-318, 2000).
- There is indeed a safety net for a minority of the uninsured, including government-sponsored clinics and hospitals, as well as care provided by private physicians. However, financial pressures due to managed care are reducing the ability of private physicians to provide charity care (Cunningham P et al. "Managed care and physicians' provision of charity care. JAMA 1999; 281:1087-92).
- The uninsured are much less likely than the insured to have a usual source of care (Kaiser Commission on Medicaid and the Uninsured. 2003. "Access to Care for the Uninsured: An Update. ($4142; September)."

Everyone who is uninsured can get Medicaid, so what's the problem?

- This is a myth. The federally defined minimum group of eligible individuals includes poor children and pregnant women, as well as VERY poor parents and elderly/disabled individuals. Many poor people make too much money to qualify for Medicaid, and childless adults (who constitute over half of the uninsured) do NOT qualify for Medicaid. States do have the option of expanding Medicaid eligibility beyond the federally defined eligibility guidelines in some cases, but childless adults are not covered by Medicaid under any state.

Arguments related to how health care should be viewed

Healthcare is not a right.

- Even if healthcare is not a right, universal healthcare might still be the wisest public policy because of its moral, economic, and cultural benefits.
- Education is not defined in our Constitution as a right. Yet, the vast majority of Americans support the idea that everyone should have access to public education. How is healthcare different?

No one should get free healthcare.

- There's no such thing as free healthcare anywhere in the world. Every system has some sort of cost-sharing and/or fails to covers some service, especially things like dental care. Moreover, every healthcare system is financed by taxes to some degree, so nothing is really "free."
- If the purpose of a healthcare system is to maximize health, then it makes sense to align financial incentives such that people will utilize the most effective, low-cost interventions. For instance, primary care visits are more cost-effective than ER care or being hospitalized for conditions that could have been prevented through good primary care. Making primary care visits free or extremely low cost removes a major barrier to seeking out such care and therefore saves money (incidentally, the idea of making primary care visits free is not without precedent; all general practitioner (GP) visits in the UK are free at the point of service). In this sense, a wise designer of a healthcare system should in fact make certain things free or low-cost, and make less effective interventions higher cost.

Healthcare should be treated like an individual commodity – it should only be available to those who can afford it.

- Healthcare is a basic human need. You can live without individual commodities like a VCR or TV, but a lot of people can't live without healthcare in their everyday lives, and no one can live without healthcare when they are seriously ill.
- Healthcare costs are unpredictable – you never know when you are going to get sick, but you can predict when you will spend money on a VCR or TV.

Arguments related to America

UHC is fundamentally anti-American, because America is a capitalist and individualist society.

- It is anti-American to perpetuate a system that hurts innocent, hardworking Americans and that puts America at a tremendous economic disadvantage relative to other countries.
- Part of the "American dream" is achieving financial security. In the current system, there is increasingly diminishing protection against skyrocketing health care costs. It's estimated that 45% of all bankruptcies are related to medical bills – how is our current system promoting America by depriving people of financial security?
- A healthy America is a wealthy America. UHC will boost our economy and help us remain globally competitive.

We have the best health care system in the world. Why should we endanger it by adopting universal health care?

- There is no way to measure objectively which healthcare system is the best in the world. America, however, certainly does not measure up well against other countries on many health indicators. For example, our life expectancy lags behind that of other countries, and our infant mortality rate is higher than that of other countries. The World Health Organization ranks our healthcare system 37th on overall performance, and 24th on health level attainment. All of these mediocre performance measures are unacceptable, especially given that we spend almost twice as much per capita on healthcare than any other country.
- It is true that America offers some of the best care in the world, for those who can afford it. We would in fact have one of the best healthcare systems in the world if we were able to allow everyone to access and afford that high-quality care.

<u>Arguments related to the government vs. the free market</u>

The government can't do anything right, and they definitely shouldn't be involved with our healthcare system.

- Medicare is a government-administered program that, despite its problems (including underfunding), is still one of the most efficient and popular social programs in the country. Politicians know not to "mess with Medicare" for fear of facing the wrath of the 65-and-older lobby, a testament to how the government's involvement in healthcare can be accepted and even praised by many.
- There are effective government programs, and there are not-so-effective government programs. Some examples of effective government programs include the NIH, CDC, Medicare, and Social Security.

I don't want government-run healthcare.

- There is nothing about UHC that implies that the government runs health care. The idea behind UHC is to give a basic guarantee of access to healthcare for all Americans – clinical decisions are completely left up to the provider.
- The mix-up here is between *insurance* and *delivery*. Medicare is a government-run *insurance program*, but the *delivery* of Medicare is not through the government (nor should it be). Rather, the delivery of Medicare occurs through private providers and hospitals.

I don't like the idea of big government, and UHC would be just that.

- Nobody likes the idea of big government. Both progressives and conservatives believe that government should only be big enough to insure that society functions well – the difference is in each side's definition of what is needed to make sure that this goal is achieved.
- The hidden assumption in this argument is that UHC would somehow require a massive outlay of federal spending. However, the nonpartisan National Coalition on Health Care recently came out with a study showing that UHC would save the federal government at least $320 billion over 10 years. http://www.nchc.org/materials/studies/Thorpe booklet.pdf

The free market is the best solution to the lack of insurance.

- There are theoretical reasons why the free market does not in fact apply to healthcare:
    - There is a significant asymmetry of information between providers and consumer. Physicians undergo years of highly specialized training, and patients (particularly acutely ill patients) are not able to make fully educated decisions given their lack of training in medicine, despite attempts by physicians to communicate fully with them.
    - One of the requirements for a free market is that there are a large number of buyers and sellers. Because of the consolidation of hospitals and insurance companies, there are actually in any given area very few buyers and sellers of health care.
- The free market treats health care as a commodity that should only be available to those who can afford it. As such, an unfettered free market would price many people out of insurance. If it were not for significant regulation of the health insurance industry, millions of Americans would lose access to life-saving medical care.

I don't want UHC because it's socialized medicine.

- Universal healthcare itself is not socialized medicine, which refers to medicine that is both financed and delivered by the government. In other words, the government pays for and owns the healthcare system. That is the case for so-called "national health services" such as the healthcare systems of the U.K. and Spain, but it is not the case for other health care systems in Japan, Canada, and the rest of Europe. Single-payer systems such as Canada are not socialized medicine in the sense that the mechanisms of delivery are mostly private (i.e. physicians exist mostly in the private sector).
- In the U.S., unless we moved to a national health service, any UHC solution would definitely not be socialized medicine. Using an employer mandate, for example, would build on the

current system of predominantly private delivery. Adopting a single payer system in this country would change only the financing mechanism of our healthcare system, not the delivery mechanisms, which would stay private.

Arguments by those who might support UHC but are concerned about the implementation

We can't afford UHC.

- We can't afford to NOT have UHC. The Institute of Medicine estimates that over $65-$130 billion is lost each year due to lost productivity by the uninsured, who are less healthy and therefore less able to be a productive member of society. Other economic costs include a loss of global competitiveness (since companies in other countries don't bear as much of a burden in terms of health care costs), unnecessary use of the expensive ER, strain on businesses, and paying for preventable costly diseases due to lack of health care access.
- In 2005, The National Coalition on Health Care released a report arguing that UHC would save at least $320 billion over 10 years under four different scenarios, with a single payer system saving $1.1 trillion over 10 years. http://www.nchc.org/materials/studies/Thorpe booklet.pdf

People will abuse the free health care in a UHC system.

- There is always a balance that needs to be struck between overutilization and underutilization. Almost every health care system in the world has some degree of cost-sharing (co-pays, deductibles) to prevent overutilization, and the U.S. would be no different under a UHC system. The key is to make the cost-sharing equitable (as the very poor are disproportionately burdened by cost-sharing) and to set the level of cost-sharing in a way that discourages inappropriate care (e.g. getting a doctor's appointment for every sniffle) without discouraging appropriate care.
- Even if health care were "free" in a financial sense (which it wouldn't be, of course), there are other costs involved with using health care. For example, it takes a lot of time to visit a doctor's office, and medical care is often uncomfortable. Also, common sense dictates that people wouldn't be lining up for coronary artery bypass grafts even if they were free.

UHC would create waiting lists.

- There already is an infinite waiting list for people who are uninsured in America.
- To argue that there aren't already waiting lists in America flies in the face of reality – it often takes months to get an appointment with specialists and even primary care physicians, especially if you are a new patient to that physician.
- Other countries that have UHC and waiting lists do not spend nearly as much as America does on health care. Waiting lists in America would be significantly less of a problem because of this spending.
- Waiting lists in other industrialized countries are almost always for elective surgeries and procedures – no country has a waiting list for emergency procedures, and virtually no country has waiting lists for primary care visits.

UHC would result in the rationing of care.

- Health care is a scarce resource, and EVERY country in the world therefore has to find some sort of mechanism for rationing. In other countries, health care is rationed according to need, whereas in this country, health care is rationed according to the ability to pay. We already ration in this country!
- In other countries, the discussion about whom to prioritize for health care, what procedures to pay for, etc. is fundamentally a public, democratic process. In this country, these discussions

are made in the board rooms of big businesses (the private health insurance companies) and are therefore fundamentally not democratic.

Jobs will be lost during the transition from our current system to UHC.

- All reform is difficult, no matter what it is. Health care reform is no different. The question is about priorities: where there's a will for UHC, there will be a way.
- Even under more difficult transitions, such as with a single payer system in which the private insurance industry is minimized, the country will need people to help administer the new program. People could be transitioned from the private insurance industry to the new program.
- UHC will create new jobs throughout the country – right now, businesses are either firing or not hiring low-wage workers because of health insurance costs, and many people stay with their current jobs just to get health insurance benefits instead of starting their own businesses.

UHC will never work because people don't want higher taxes.

- UHC will ultimately save the government money in the long-run http://www.nchc.org/materials/studies/Thorpe booklet.pdf.
- Even if one assumes that people's taxes would go up, the increase would be offset by the fact that premiums would decrease or disappear, as well as by the fact that wages would increase because employers would be less burdened by health care costs.

UHC is not a good idea because we would have to pay for the health care for immigrants.

- If you believe health care is a basic human right, one's citizenship status should not at all affect the ability to obtain necessary healthcare.
- Even if you don't believe health care is a basic human right, it is still better to provide basic health care to immigrants rather than forcing them to use the emergency room, which is expensive and inefficient.
- A common misperception is that immigrants "free-load" off public assistance programs. In reality, immigrants (even most illegal immigrants) are subject to a payroll tax like the rest of workers. They're not free-loading: they put into the system as well.

UHC will restrict choice.

That depends on what you mean by choice and the particular UHC solution in question. When people talk about choice in healthcare, they mainly are referring to a few different types of choices: choice of healthcare provider and/or healthcare facility (e.g. what hospital they can go to) and choice of health insurance plan. Studies have shown that the more important of these two choices is the former (Lambrew J. "Choice" in Health Care: What Do People Really Want? The Commonwealth Fund, September 2005).

- In the current system of managed care, there is a great deal of restriction of choice in which healthcare provider can be seen. Indeed, managed care plans often highly discount certain providers who are in their network, and charge exorbitant rates for seeing a provider outside of the network. In contrast, virtually no other industrialized country with UHC restricts patient's choice of provider. If a particular solution for UHC were adopted that banned managed care (e.g. a single-payer system), then the choice of provider would in fact be expanded. If, on the other hand, managed care were to continue under a UHC solution that built on the current system, then choice of provider would remain limited, as it is now. At the very least, UHC would not further restrict choice of healthcare provider any more than it is restricted currently.
- In a similar fashion, not every hospital accepts every type of insurance in our current system. If a UHC solution were adopted that created one insurance scheme (e.g. a single-payer

system), then choice of healthcare facility would be expanded. If, on the other hand, the current system of thousands of private insurance companies were to continue, then choice of hospital may be continue to be restricted.
- A single-payer system would in fact restrict choice in health plans since everyone would have the same insurance plan (which is advantageous because it dramatically simplifies administration). On the other hand, other UHC solutions that build on the current system, such as expanding Medicaid, wouldn't restrict choice of health insurance plans per se.

The quality of care will suffer under UHC.
- The quality of care is related to many factors: systems design, provider competency and supply, funding, etc. Importantly, quality of care is hampered in the current system because of a lack of health care access – if patients can't afford their medications, if patients wait until they are very sick until they go to the ER – quality decreases. In that sense, the exact opposite of this argument is true – the quality of care will INCREASE under UHC.
- Quality could suffer under UHC if there were more waiting lists or a severe underfunding of the system. Any rational designer of a UHC system would insure appropriate funding of the system and would also strive to strike the right balance between overutilization and underutilization of health care services so that waiting lists would be minimized.

Research will slow down under a UHC system.
- The vast majority of medical research is publicly funded by entities such as the NIH. Nothing about that would change under a UHC system.
- Many of the most important medical breakthroughs in recent memory have come from countries that have UHC.

Technology will decrease under UHC.
- *Inappropriate use of technology* might decrease under UHC, provided there are incentives in place to discourage the use of high-tech procedures that have little or no proven clinical benefit. *Appropriate use of technology* might increase under UHC, provided that there were the right financial incentives to only utilize those technologies that have proven clinical benefit.
- There is a widespread assumption that all technology is naturally better than older innovations; yet, some of the simplest interventions (e.g. childhood immunizations) are the most effective. It is worth taking a hard look at whether technological innovations are worth the money on a case-by-case basis.
- America is not the only market for health care innovations – the rest of the world also benefits from technology as well. As such, there will always be an incentive to innovate in medicine.
- America is a very technology-hungry society. We can (and would) make access to technology a priority under a UHC system.

Arguments related to doctors

Doctors will never buy into UHC because the government will interfere with their clinical autonomy.
- Depending on the particular UHC solution chosen, doctors may actually have *increased* clinical autonomy. The proliferation of managed care companies in this country with their policies of utilization review and pre-approvals gives U.S. physicians some of the *least* clinical autonomy in the world. Decisions about medical care should be made by doctors, not managed care companies, and a UHC solution that minimized/eliminated managed care would therefore be beneficial to clinical autonomy.

- The government would only be involved with the *financing* or *insurance* aspect of insurance; actual day-to-day clinical practice (the *delivery* of health care) would remain in the hands of physicians.
- By allowing patients to actually to be able to afford the tests, drugs, and interventions physicians prescribe, a UHC system actually expands the options physicians have for taking care of their patients.
- In Canada, which has a UHC single payer system, physicians have some of the most autonomy in the world (Deber R. "Health Care Reform: Lessons from Canada." Am J Public Health 93:20-24, 2003).

Doctors will never buy into UHC because it will decrease their salaries.

- There is nothing inherent about UHC that would decrease physician salaries. UHC is about guaranteeing everyone health care access, which doesn't necessarily affect physician salaries.
- It is true that physicians in other countries with UHC make less than physicians in America, but:
    - It is also true that in general, people in these countries make less than people in America.
    - It is not clear whether the actual *take-home* income for physicians in other countries is that much less, since they don't have to deal with exorbitant malpractice premiums and the overhead related to dealing with thousands of health insurance plans.
    - Physicians in other countries do not graduate with nearly the same amount of medical school debt that American physicians do.
    - Physicians in other countries generally work fewer hours than American physicians do, so their income might be expected to be lower.
- We spend twice as much per capita on health care than the median spent on health care per capita in other industrialized countries. Under an American UHC system, physician salaries could be maintained, as long as the designers of the system chose to do so.

Doctors will never support UHC because they benefit too much from the current system.

- In our current system, many patients cannot afford the prescriptions, tests, or interventions that doctors order for them. Doctors are presumably in medicine to take care of their patients, and this inability to afford healthcare is a major impediment to this care.
- Doctors should be their patient's doctors, not their financial counselors. When they only have 10 minutes or so to see a patient, why should they spend that time about non-patient care issues, such as ability to pay?
- Doctors are interested in providing the best medical care, not the care they think their patients can afford.
- The high cost of health care for patients is causing resentment from patients towards doctors.
- Doctors currently contribute approximately $7 billion of their own funds for uncompensated care for the uninsured (charity care or discounted care) (Hadley and Holohan. "How much care do the uninsured use, and who pays for it?" Health Affairs 12 September 2003). While admirable, such contributions do constitute a financial expense for many physicians. Under a UHC system, uncompensated care costs would be minimized since everyone would have health insurance.
- When people are uninsured, they are less likely to get preventive care and more likely to get poor care for chronic diseases such as diabetes. As such, many of these patients come in to the doctor at advanced stages of disease, making medical care more difficult.

Physicians can't afford to see Medicare and Medicaid patients. UHC would cut reimbursement so much that it'd no longer be profitable to be a physician.

- Both Medicare and Medicaid provide valuable health care access to vulnerable populations, specifically the elderly, disabled, and the poor. However, both programs suffer from chronic underfunding due to a lack of prioritization of these programs by the powers that be. If you underfund any program, it will fall apart. It is important to separate the quality of the *program itself* from the *circumstances surrounding that program* (e.g. its funding).
- No one wants reimbursement rates to be cut to a point where physicians can't make a good living. No UHC system would be viable if that happened, and the lobbying clout of physicians is such that it would not happen.