



Single payer, universal coverage, and other words we use.

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Roadmap of presentation

- Uncertain political and policy landscape as of ~~January 2014~~, ~~October 2014~~, ~~January 2015~~, ~~October 2015~~, ~~January 2016~~, ~~June 2016~~, ~~October 2016~~, ~~January 2017~~, ~~March 2017~~, ~~July 2017~~, ~~October 2017~~, November 2017
- Words we use: Single payer, universal coverage, and more: What do we really mean? What are we trying to do?

The greatest system in the world?

The United States has "the best health care delivery system in the world."

— *John Boehner on Sunday, July 1st, 2012 in an interview on CBS's "Face the Nation"*

“Our health care system is the finest in the world, but we still have too many uninsured Americans, too high prices for prescription drugs, and too many frivolous lawsuits driving our physicians out of state or out of business.

Judy Biggert

“I have argued for years that we do not have a health care system in America. We have a disease-management system - one that depends on ruinously expensive drugs and surgeries that treat health conditions after they manifest rather than giving our citizens simple diet, lifestyle and therapeutic tools to keep them healthy.

Andrew Weil

Inner logic of failed GOP repeal effort

- GOP campaigned on ACA repeal & replace, arguing that they had something cheaper & better.
- Preferred alternatives didn't match the rhetoric.
 - Offered combination of coverage cuts and tax cuts for affluent Americans.
 - Attempted deep Medicaid cuts well beyond ACA repeal that mobilized aged and disabled and split populist base.
 - Failed to protect people with preexisting conditions.
- ... And thus politically self-immolated.
- GOP failure to provide a credible alternative ratified public consensus for pillars of ACA, and for universal coverage that actually works when people get sick.

Progressives face dilemmas too...

- Medicaid expansion entrenched policy and political success, improving millions of lives.
- Human experience and market realities of ACA marketplaces are often disappointing.
 - Particularly for individuals with incomes above 250% of the poverty line and those in rural areas.
 - Many resent that poor people on Medicaid have tangibly better coverage.
 - Marketplaces don't really address prices and cost.
- GOP governors protect Medicaid, but nobody protects the marketplaces or expends political capital to make them work.

Single-payer vs. universal coverage

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Single Payer Is Not a Principle

The principle is universal coverage. There are a number of ways to get there. We need to remember this.

BY HAROLD POLLACK

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30 MIN READ

Single-payer vs. universal coverage

- Single payer is widely embraced popular among progressive activists and the public.
 - Expanded coverage, and expanded public role in coverage seems the most likely path over the next hill.
- But what do policy activists and the public actually mean by single payer?
 - British NHS, German sick funds, Medicare Advantage might all fit under the rubric of single-payer, though these are different models.
- In many ways, universal coverage is the basic principle.
 - Every American requires access to health care that would actually meet our medical, social, and financial needs if we became seriously ill or injured.

Single-payer vs. universal coverage

- A unified, taxpayer-financed payment system for healthcare—single payer—is one path to universal coverage.
- Wealthy democracies have followed many paths to reach such universal coverage.

Single-payer vs. universal coverage

- Social democracies have followed many paths to reach such universal coverage.
 - Canada, United Kingdom, Germany, Switzerland all followed their own history and institutional paths.
 - Some give roles to states/provinces/other local governments.
 - Some implement significant patient cost-sharing.
 - Some require insurers to be nonprofit.
 - Some require providers to be nonprofit/government entities.
 - Some allow affluent to top-off/substitute coverage.

Single-payer vs. universal coverage

- Social democracies have followed many paths to reach such universal coverage.
 - All are simpler organizational systems than the United States.
 - All are cheaper than the United States, and achieve near-universal coverage.
 - All heavily subsidize low-income families.
 - All heavily regulate providers and insurers.
 - Nearly all use the bargaining power of government to constrain provider and pharmaceutical prices, and thus expenditures and costs.

Single-payer vs. universal coverage

- ◉ Social democracies face many of the same challenges America does.
 - Tax financing, patient and provider incentives, delivery system shortcomings, and pricing challenges.
 - Painful political and social challenges such as population aging and immigration.
 - Experimenting with an alphabet soup of efforts to improve value and equity.

Broken health policy reflects broken and polarized health politics

- Ideologically moderate, market-driven approaches to universal coverage are often institutionally radical complicated and fragile.
 - This requires pragmatic bipartisan problem-solving, often across different levels of government.
 - Just what our polarized political institutions seem unable to deliver.

Broken health policy reflects broken and polarized health politics

- Progressives sometimes present single-payer plans as an alternative to messy politics.
 - Federalism issues
 - Congressional dysfunction and collective action problems.
 - Compromises with key interest groups.
 - Mindless complexity and incremental kludges through the hidden welfare state.
- But any feasible single-payer plan will necessarily be the product of that very system.

Some challenges to consider

- Disciplined single-payer system would roughly require a doubling of federal income taxes or equivalent additional revenues.
 - Different forms of taxation such as VAT may be more efficient.
- Tens of millions of winners and losers.
- Serious squeeze of entire supply-side of medical care economy—the same constituencies that resisted less radical public option plans.
 - Rural hospitals
 - Doctors, nurses
 - Drug companies
 - Everyone selling everything from Band Aids to wheelchairs.
- What is the role of state governments, e.g. in Medicaid services to Americans with disabilities.

Reckless predictions

- A bit like 2006, as Democrats & Republicans will start looking ahead to post-Trump era.
 - Single payer is hard in one jump
- We're likely to see strange bedfellows as Medicaid gathers more bipartisan support than market-based approaches.
 - Many reasons for that from opioid epidemic to cost.
 - Bottom line: Politicians in both parties value Medicaid more than many alternatives.
- Suggests that some sort of “public option” likely to play a larger role.
 - Buying Medicaid
 - Medicare for people over age 55, etc.
- Despite everything, I am very optimistic.....

--Thank you.