The Three Myths of a Single-Payer Healthcare Delivery System
A Single-Payer System Could Be Closer Than You Think

- This year, an unprecedented number of universal coverage initiatives were debated in the states & in the city councils of several major municipalities.

- Single-payer legislation was debated in California, & passed both chambers of their legislature by large margin. It was only stopped by the Governor’s veto.

- Most of the state and local measures are “universal access” initiatives, not true single-payer plans (where the government would be the only provider of health benefits). A number of jurisdictions are adopting the plans.

- Most of these measures are unfavorable to the private market. Some may represent a back-door approach to implementing a single-payer system. All make dramatic changes to our current system of health care delivery.
Public Poll Supports Dramatic Change

- 80% Unhappy with U.S. health care spending
- 75% Like expanding Medicare to cover uninsured ages 55-64
- 68% Prefer Universal Coverage system to Private marketplace
- 56% Happy with the quality of care provided in U.S.
- 44% Coverage for everyone more important than keeping taxes down

Source: USA Today/Kaiser Family Foundation/ABC News Poll, October 2006
Policy “Experts” Favor a Single-Payer System

Such quotes are common & often repeated:

“A large sum might be saved in the United States if administrative costs could be trimmed by implementing a Canadian-style healthcare system.”

“Hundreds of billions are squandered each year on healthcare bureaucracy, more than enough to cover all of the uninsured, pay for full drug coverage for seniors, and upgrade coverage for the tens of millions who are underinsured.”

- Dr. Steffie Woolhandler -
Harvard Medical School Professor,
The New England Journal of Medicine, September 2003
What If the U.S. Implemented Canada’s Single-Payer Plan?

• Scrap most technological equipment, including:
  – 330 Lithotripters
  – 6,000 MRIs
  – 23,750 CAT Scanners

• Stop covering prescriptions outside Hospitals

• Make 1/2 drugs approved by FDA in past 5 years illegal

• Give 10% more of your Gross Income to government

• Cut national Research & Development by $77 Billion (25%)

• Stop covering mental-health care

• Never again be allowed to visit a specialist or even get a test without first having a visit & referral from a family doctor

• Put 7,730,000 people on waiting lists for everything: doctor visits, tests, surgeries, etc.

Source: OECD Statistics 2005; & The Fraser Institute’s Waiting Times Survey 2006
3 Great Myths of Single-Payer Systems

A common promise:

“The Canadian system manages to cover the country’s entire population while spending a third less of the country’s gross domestic product than the US system... and produces better outcomes such as lower infant mortality and greater life expectancy.”

- John Whiteside, Reuters Author, Consultant & Blogger -

#1- Everyone Has Access.
#2- They Have Better Outcomes.
#3- It Costs Less.
Myth #1—Everyone Has Access

- Everyone might have a base level of coverage, but they don’t necessarily have access to care.
- Single-payer systems are giant HMOs.
- Since users of the system don’t pay for care directly, the only way to control costs is to limit utilization & access to medical technology.
- A single-payer system’s economic success is dependent on rationing the access to services.
Myth #1—Everyone Has Access

What does rationing care mean in reality?

“If you have a cold and are willing to wait in your family doctor’s office for three hours, this is the best health care system in the world.”

- David Henderson, Canadian Economist

However, if you don’t just have a cold…

- Everything is “free,” but nothing is readily available.
- Countries with single-payer systems spend less on their health care but their citizens get less.
- Access to the newest technologies and drug therapies is limited.
- There are significant wait-times for any extensive level of care.
Myth #1—Everyone Has Access

Canada’s Wait-Times Are Drastic

- 17.7 Weeks: Canada’s 2006 wait-times from referral to surgery
- 9.3 Weeks: Canada’s 1993 wait-times from referral to surgery

Source: The Fraser Institute’s Wait Time Survey, 2006
Myth #1—Everyone Has Access

Britain’s Wait-Times Are Even Worse

- **Canada**
  - 9.3 Weeks: Canada’s 1993 wait-times from referral to surgery
  - 17.7 Weeks: Canada’s 2006 wait-times from referral to surgery

- **Great Britain**
  - 13 Weeks: Britain’s 2007 goal – Diagnostic tests
  - 18 Weeks: Britain’s 2007 goal – wait-time from referral to surgery
  - 25 Weeks: Britain’s 2005 wait-time for Cancer & Cardiac tests

**Source:** The Fraser Institute’s Wait Time Survey, 2006; British Wait Time Study, 2005
Myth #1—Everyone Has Access

Problems accessing the latest technologies, too:

- In September 2006 in Scotland, more than 200 hip fracture operations were cancelled (among many other types of surgeries) because of lack of operating room space.
  - Scotsman.com News

- In September 2006 a woman in Cheltenham, Gloucestershire, England found out she was #582 on a waiting-list to replace her analog hearing aid with a more sophisticated digital one.
  - 24dash.com News

- In 2006, in 5 out of 6 European countries surveyed, access to new cancer drugs is by “post-code lottery”.
  - Euro Health Consumer Index

- On a per-capita basis, Canada has 20% the number of MRIs as America, & 14% the number of CAT Scans.
  - The Fraser Institute “Access to Technology”; OECD Health Statistics, 2006
Myth #2: They Have Better Outcomes

Life Expectancy: A Lifestyle Issue

- **European Union 15**: 78.1
- **Canada**: 79.3
- **USA**: 76.8

*Source: Life Expectancy: OECD Health Statistics 2006, per the 2000 Census*
Myth #2: They Have Better Outcomes

Life Expectancy: Obesity is a Big Factor

- **European Union 15**
  - Obesity Rate: 15.1%
  - Average Age: 78.1 years

- **Canada**
  - Obesity Rate: 23.5%
  - Average Age: 79.3 years

- **USA**
  - Obesity Rate: 39.2%
  - Average Age: 76.8 years

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*Source: Obesity: World Health Organization, 2006*
Myth #2: They Have Better Outcomes

Infant Mortality – A Socio-Economic Issue

- **European Union 15**: 4.2
- **Canada**: 5.3
- **USA**: 6.9

(Deaths per 1000 Live Births)

*Source: OECD Health Statistics 2006, per the 2000 Census.*
Myth #2: They Have Better Outcomes

Frustrations Drive Another Outcome: Consumerism

• In Europe:
  - 26 single-payer countries were surveyed. In 25, majority of respondents identified health system reform as an “urgent priority.”
  - The overall rating of their system by consumers was 6.
  - In Great Britain, in a November 2006 survey, over half the respondents rated the NHS worse than in 1996.

• In Canada:
  - Canadian Supreme Court ruling in June 2005 proves their system is unable to serve all people.
    - “…prohibiting…ordinary Canadians to access health care…the government is failing to deliver health care in a reasonable manner, thereby increasing the risk of complications and death…”
  - Private-pay clinics & diagnostic centers are on the rise.
Myth #3 – It Costs Less

- Health insurance is expensive because medical treatment is increasingly more expensive.

- Under every single-payer system in the world, costs are high & rising due to medical inflation.

- Significant savings in single-payer systems come from limiting the supply of medical services to curb demand (rationing of treatment and technology).

- “American Coverage” is different from every other country’s “Single-Payer Coverage”. Most Americans think others get more.
Myth #3 – It Costs Less

Total Tax Revenue as % of GDP

Shortly after Canada implemented nationalized health, taxes rose drastically.

Source: OECD Revenue Statistics, 2006
Myth #3 – It Costs Less

Public/Private Health Care $ as % of GDP

Canada
- Public: 6.9%
- Private: 3.0%
- Total: 9.9%

USA
- Public: 6.8%
- Private: 8.5%
- Total: 15.3%

Source: OECD Health, 2006
Myth #3 – It Costs Less

Workforce Productivity: GDP Per Capita

There is a cost: lost productivity

Source: OECD Economics, 2006
Look Past the Public’s Desire For Change:

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Source: USA Today/Kaiser Family Foundation/ABC News Poll, October 2006
Americans Value Freedom of Choice & Access Too Much for Single-Payer Limits

- 76% Opposed if treatments covered by insurance no longer paid for
- 68% Opposed if it limits doctor choice
- 60% Opposed if it means higher taxes or health premiums

Source: USA Today/Kaiser Family Foundation/ABC News Poll, October 2006
So - -What Can We Do?

• Learn about single-payer realities.

• Learn about incremental reform proposals.
  – Individual Mandate (Massachusetts)
  – Employer Mandate (California, Maryland)
  – Government Competition with the Private Insurance Market (Maine—Dirigo)
  – Medicaid Expansion
  – Optional Federal Charter of Insurance/Federal Insurance Regulation

• Learn & promote competition & consumerism.
NAHU

If You Want to Improve our Health Outcomes without the Limitations of Single-Payer

Get Educated!