



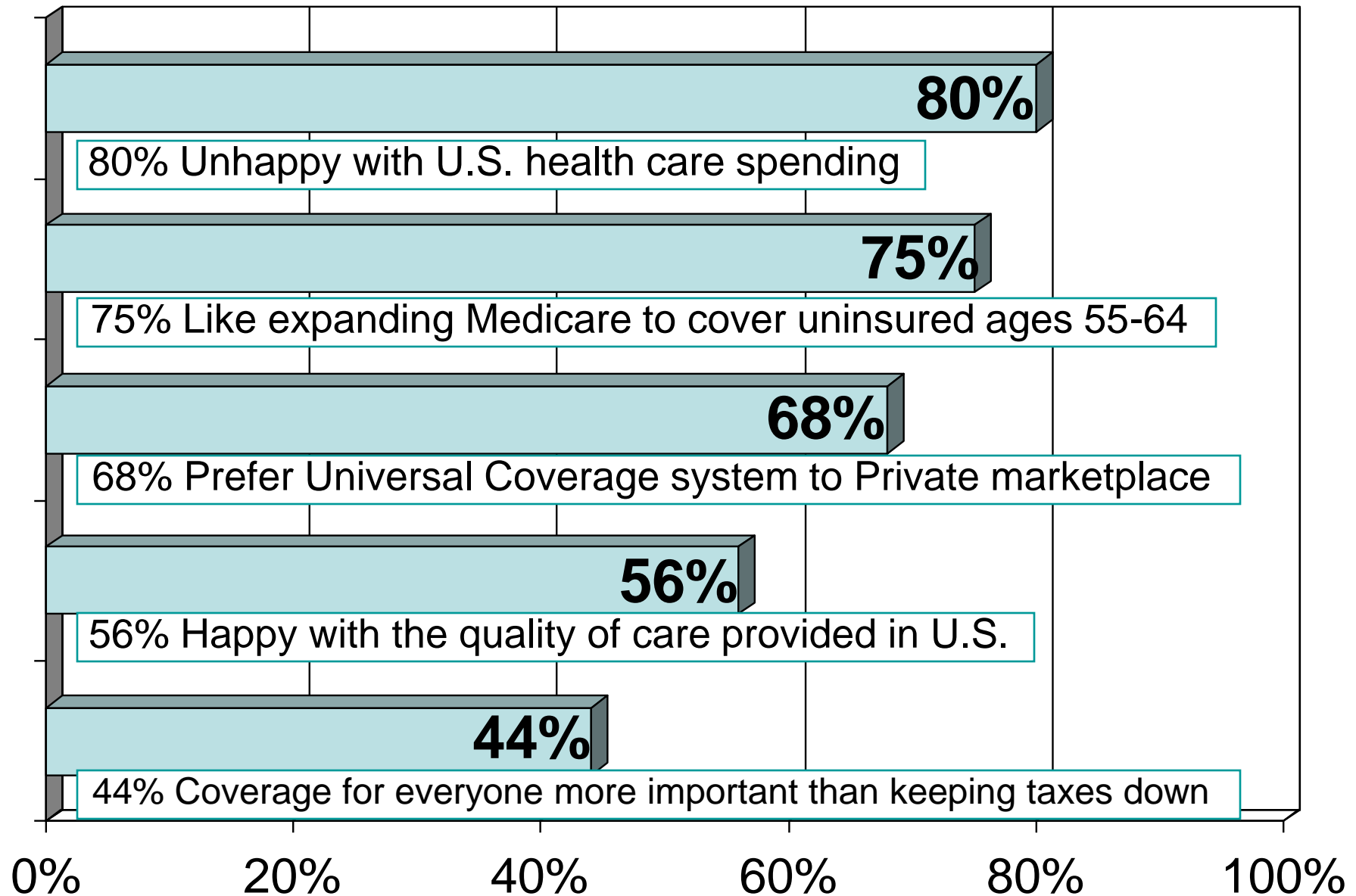
NAHU

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



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.

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.”

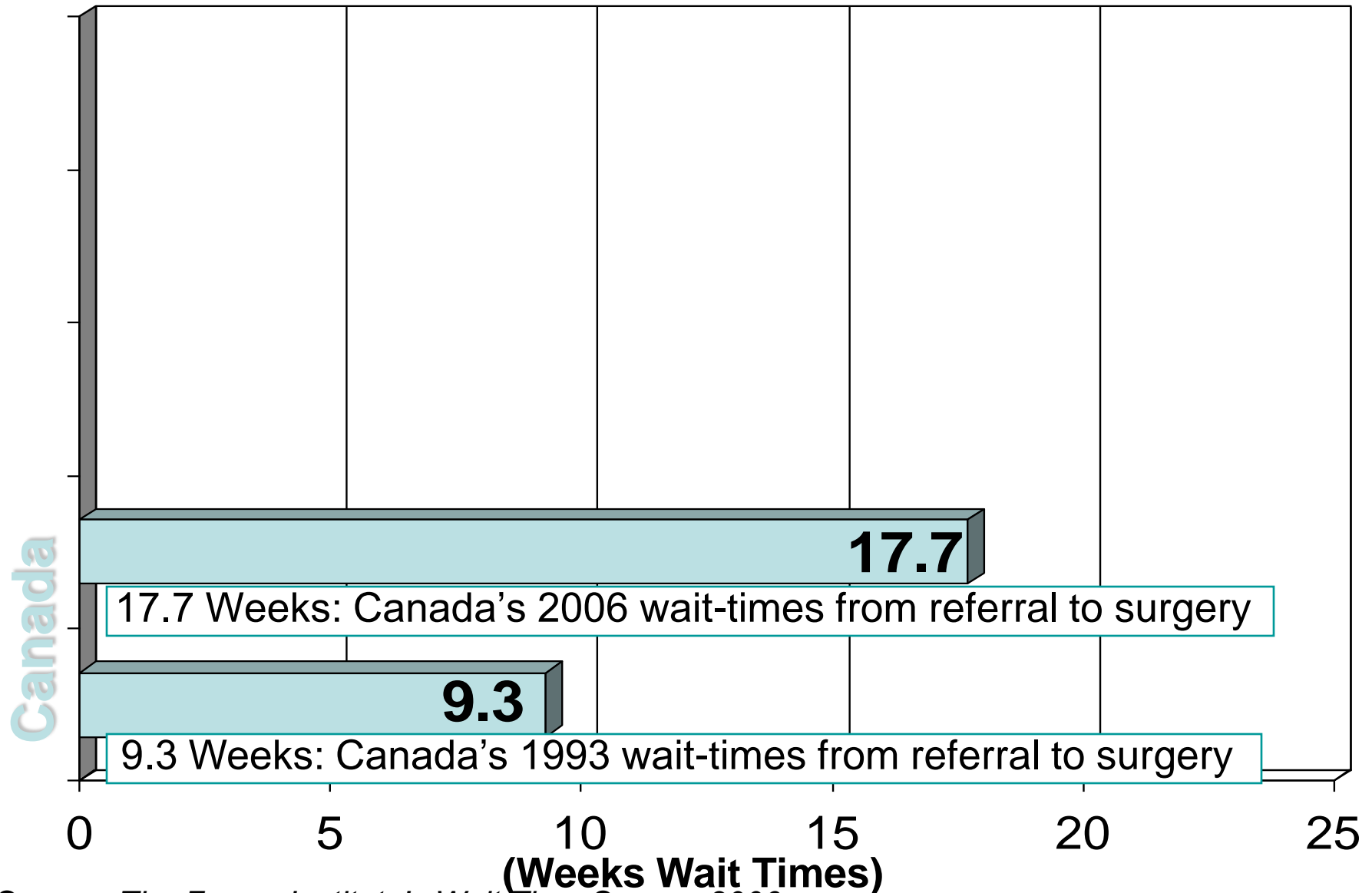
- David Henderson, Canadian Economist

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

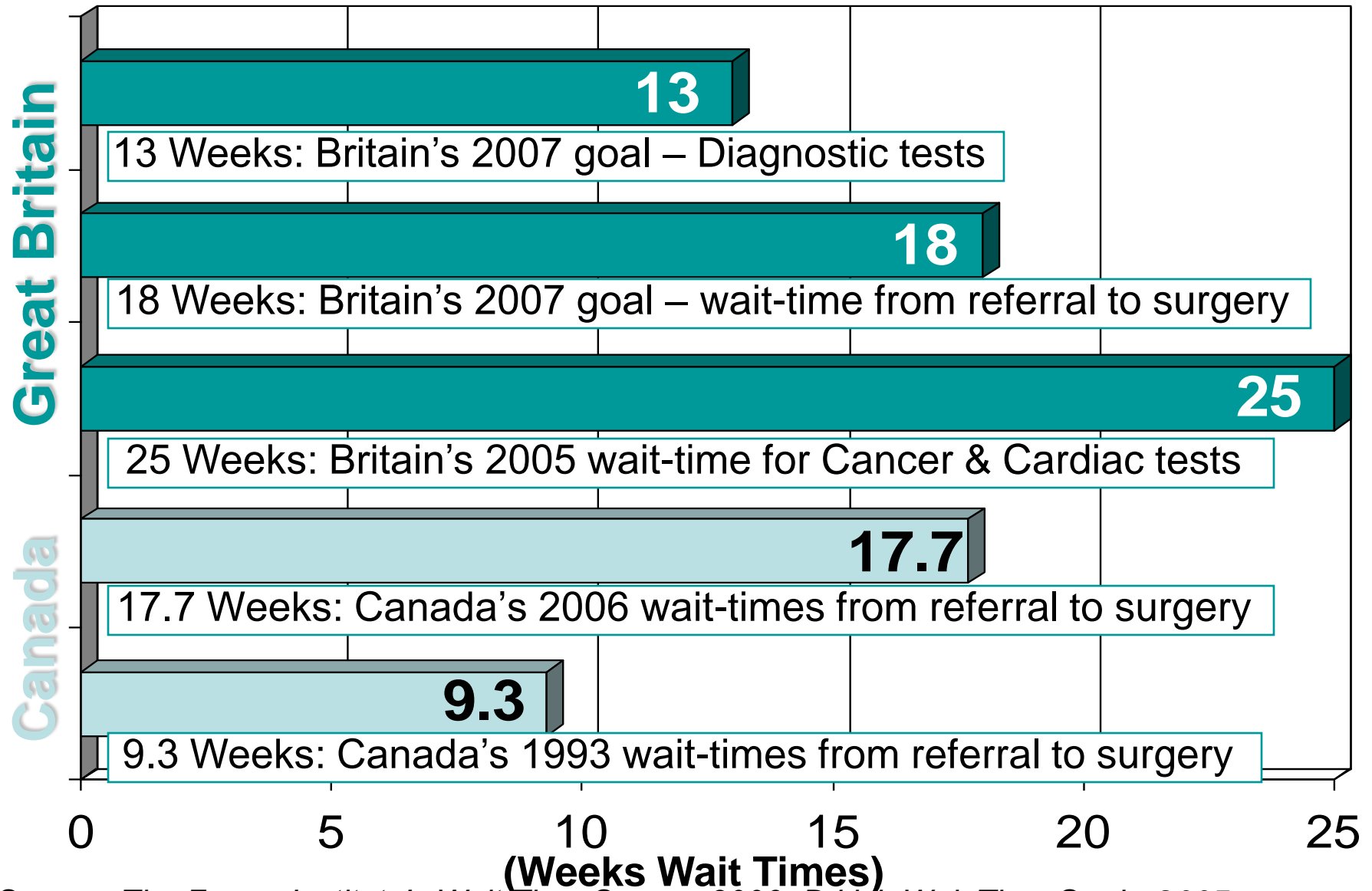
Canada's Wait-Times Are Drastic



Source: *The Fraser Institute's Wait Time Survey, 2006*

Myth #1—Everyone Has Access

Britain's Wait-Times Are Even Worse



Source: The Fraser Institute's Wait Time Survey, 2006; British Wait Time Study, 2005

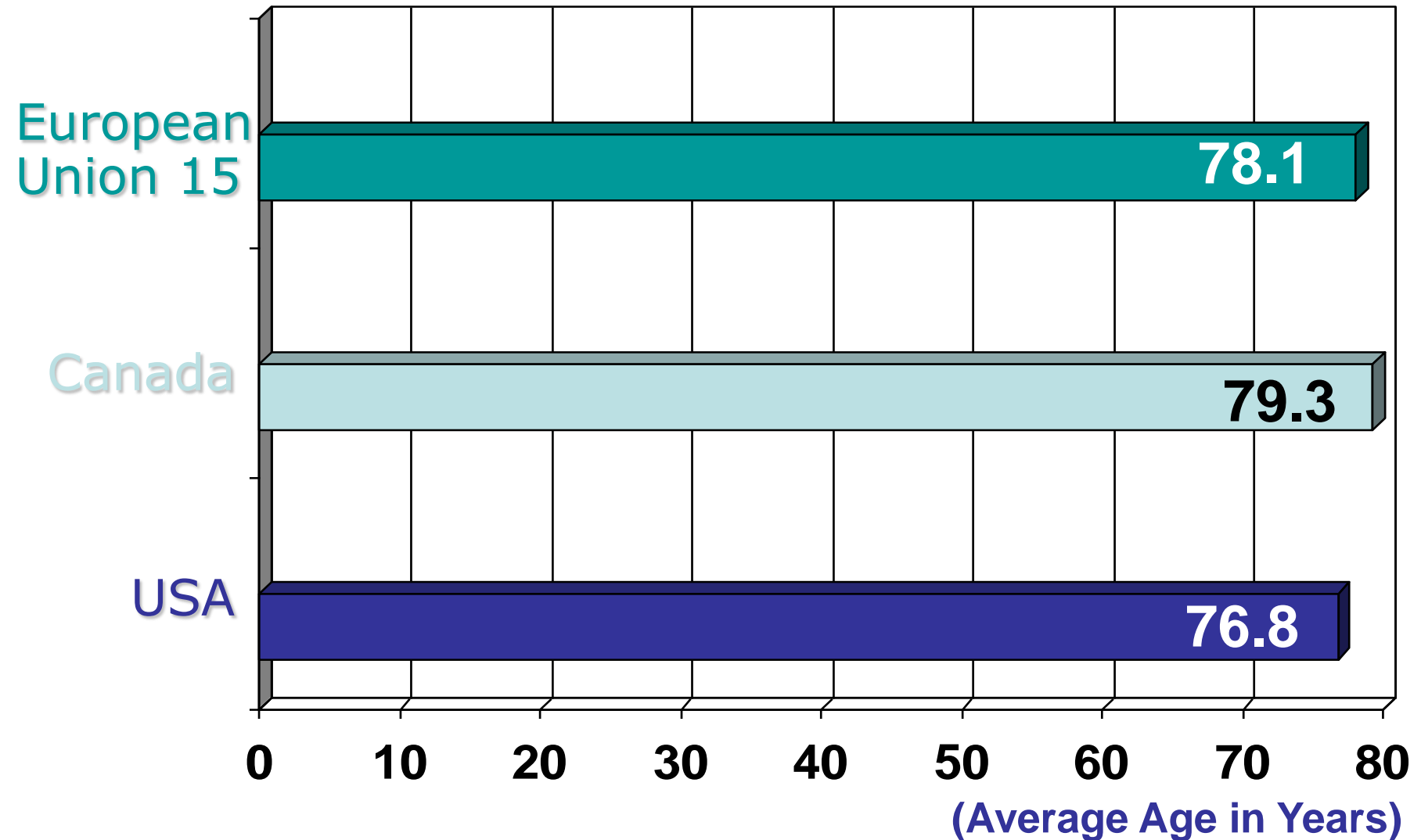
Myth #1—Everyone Has Access

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

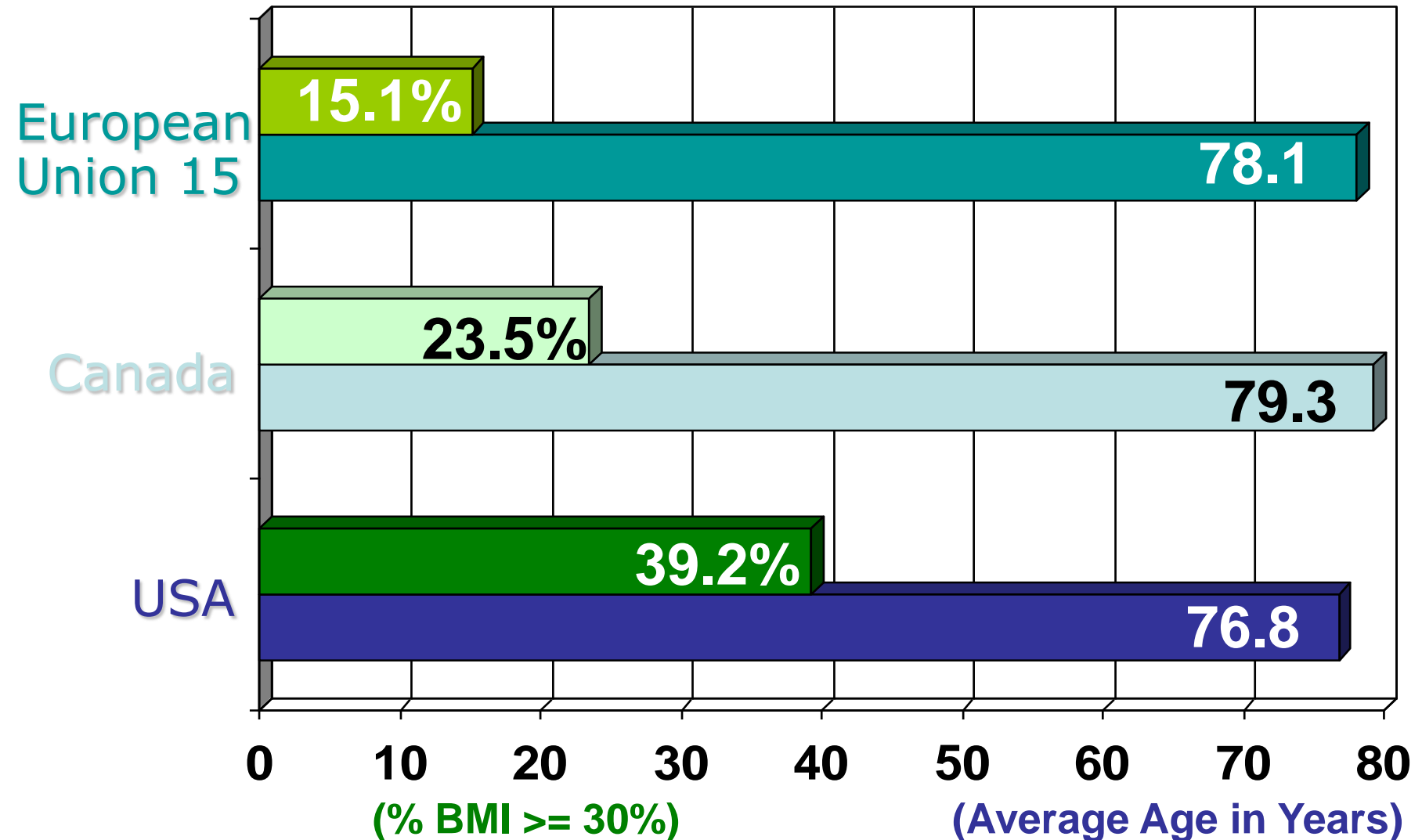
Life Expectancy: A Lifestyle Issue



Source: Life Expectancy: *OECD Health Statistics 2006, per the 2000 Census*

Myth #2: They Have Better Outcomes

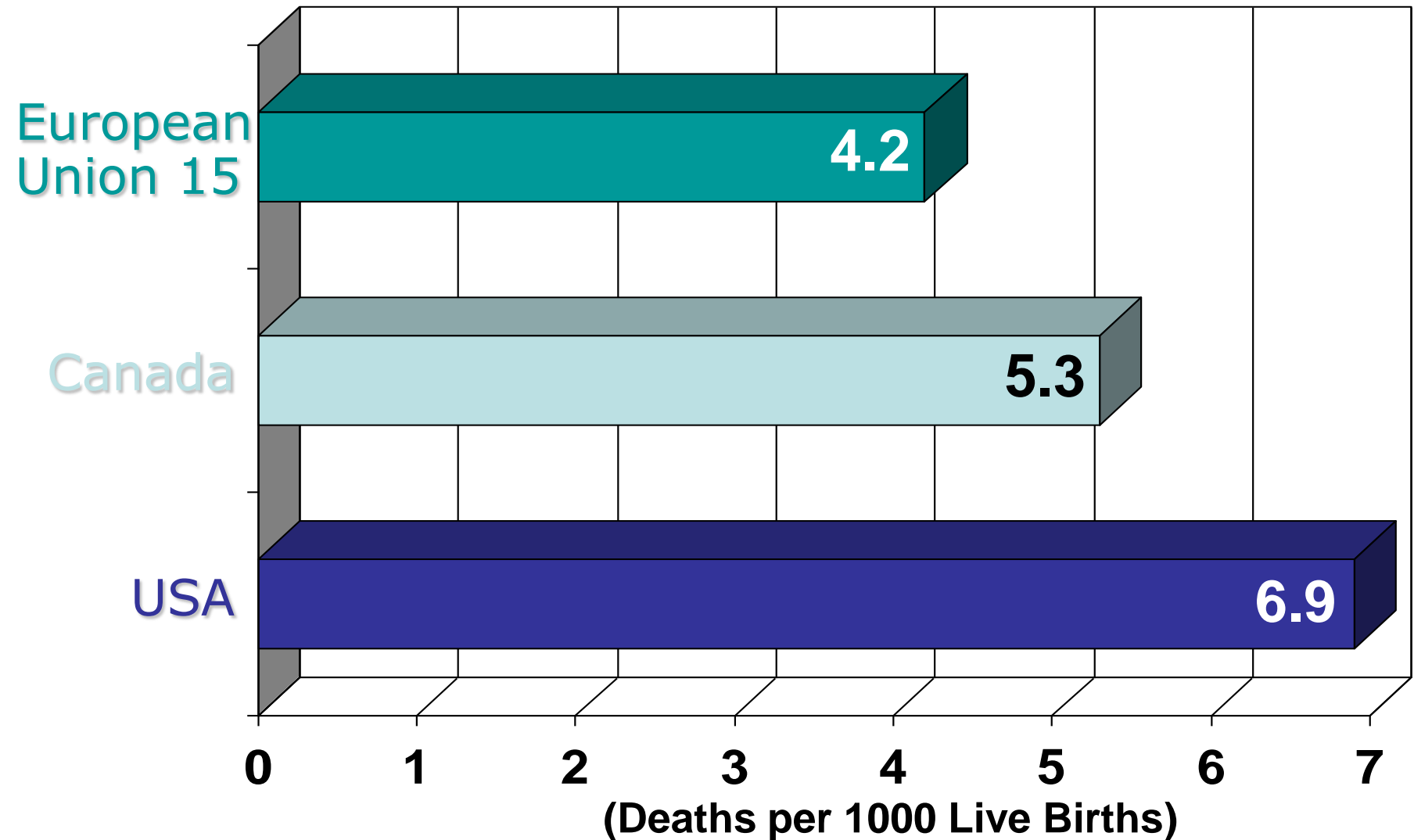
Life Expectancy: Obesity is a Big Factor



Source: Obesity: World Health Organization, 2006

Myth #2: They Have Better Outcomes

Infant Mortality – A Socio-Economic Issue



Source: OECD Health Statistics 2006, per the 2000 Census.

Myth #2: They Have Better Outcomes

Frustrations Drive Another Outcome: *Consumerism*

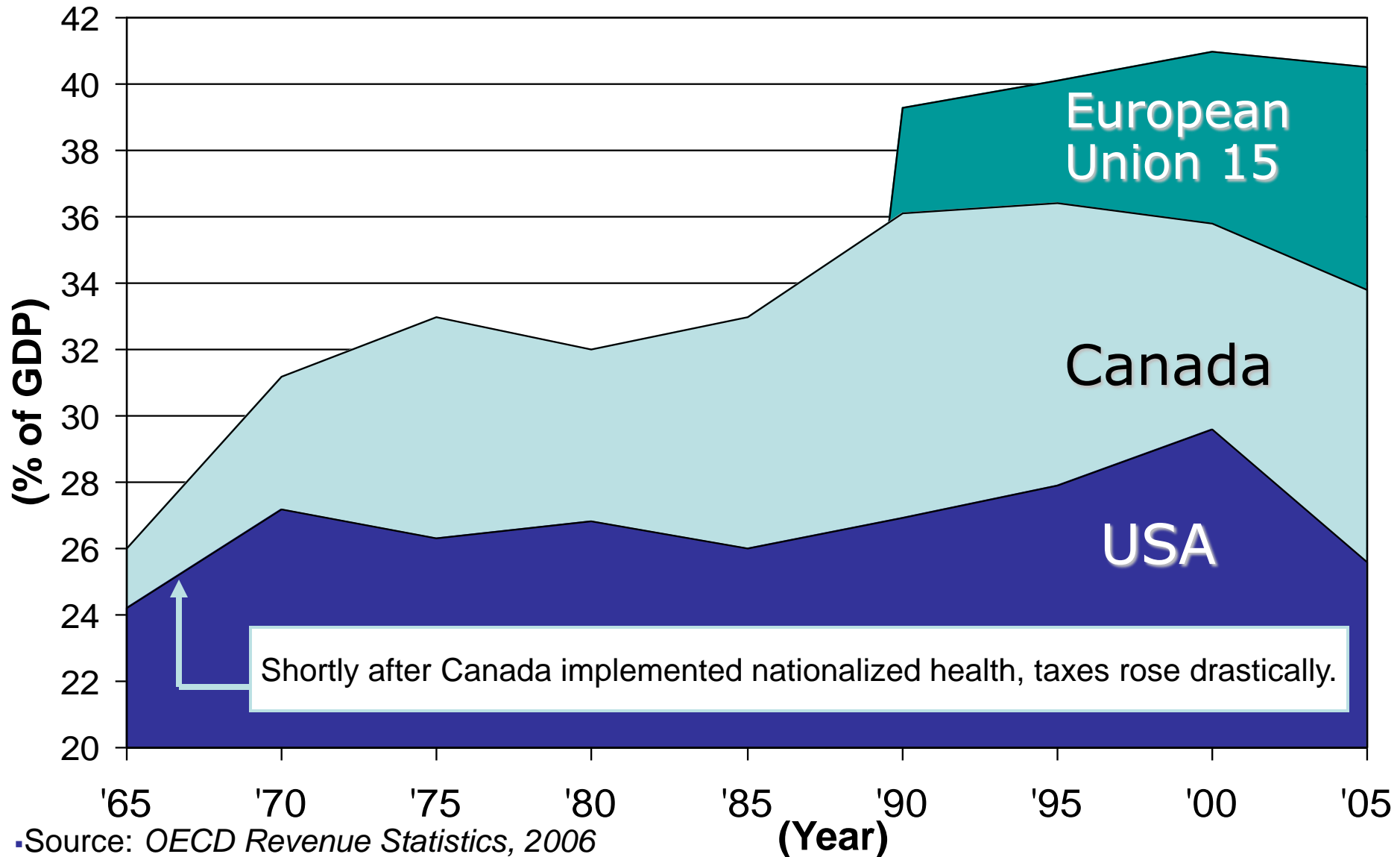
- In Europe:
 - 26 single-payer countries were surveyed. In 25, majority of respondents identified health system reform as an “urgent priority.”
 - The overall rating of their system by consumers was 6.
 - In Great Britain, in a November 2006 survey, over half the respondents rated the NHS worse than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

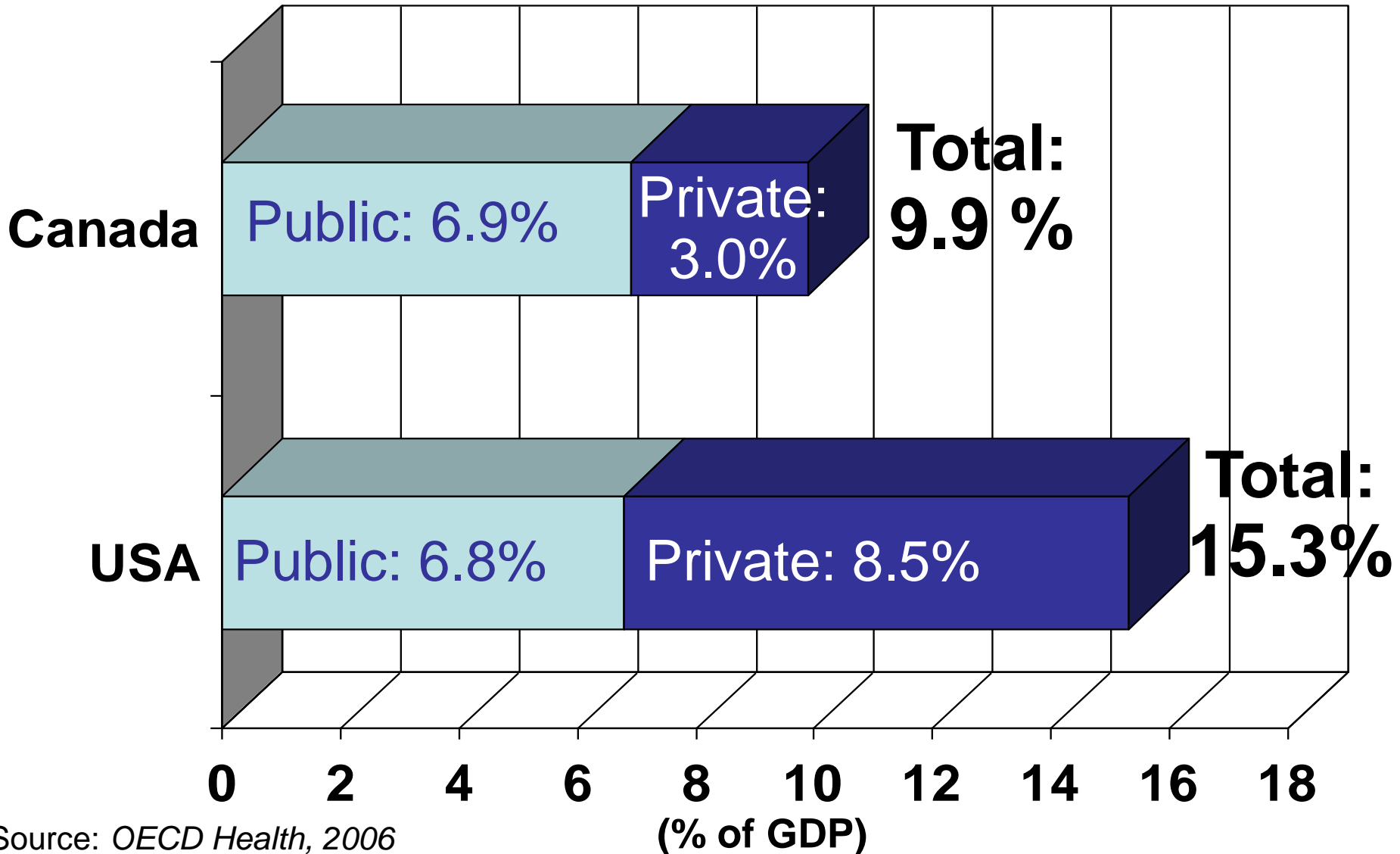
Myth #3 – It Costs Less

Total Tax Revenue as % of GDP



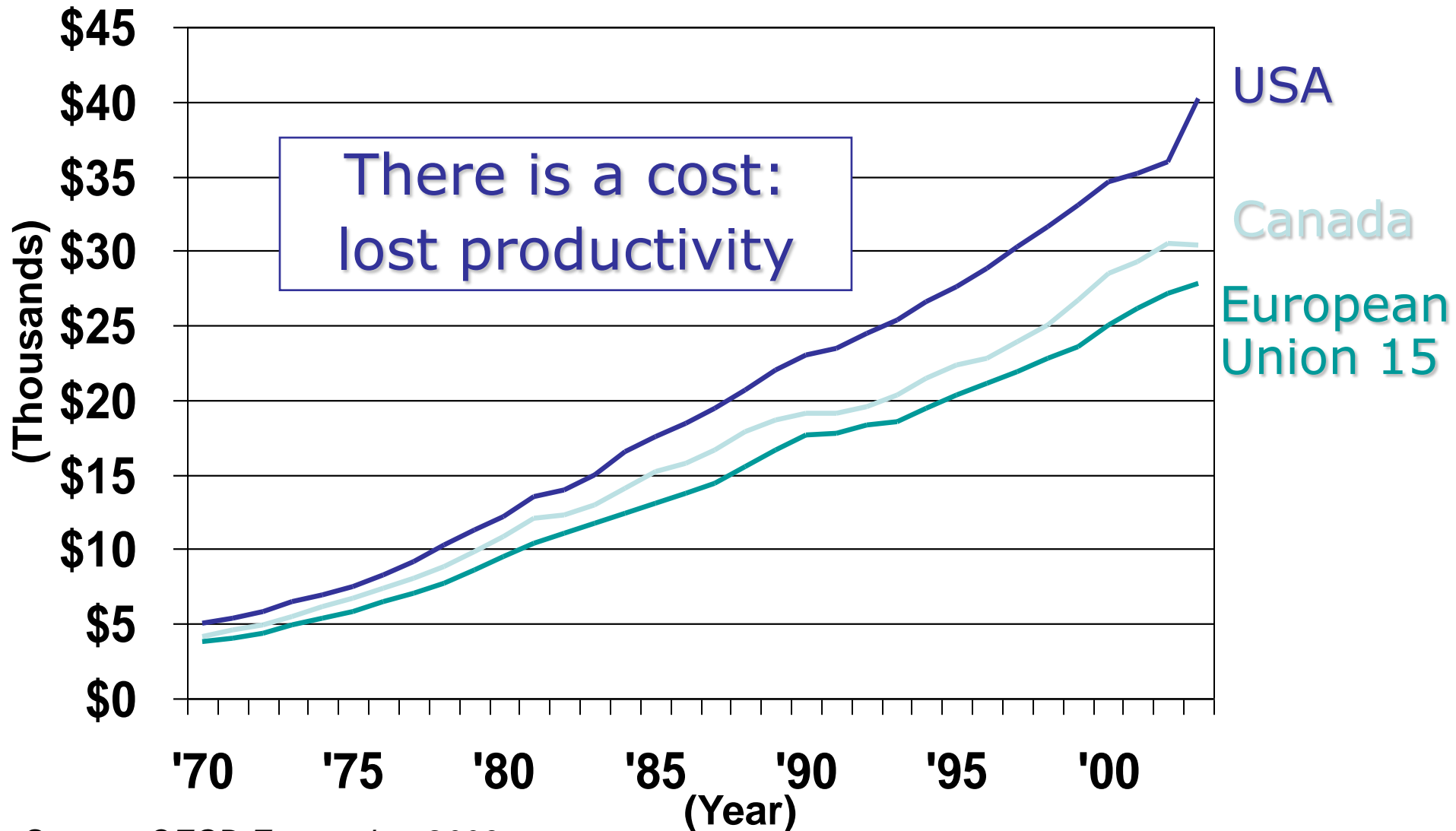
Myth #3 – It Costs Less

Public/Private Health Care \$ as % of GDP

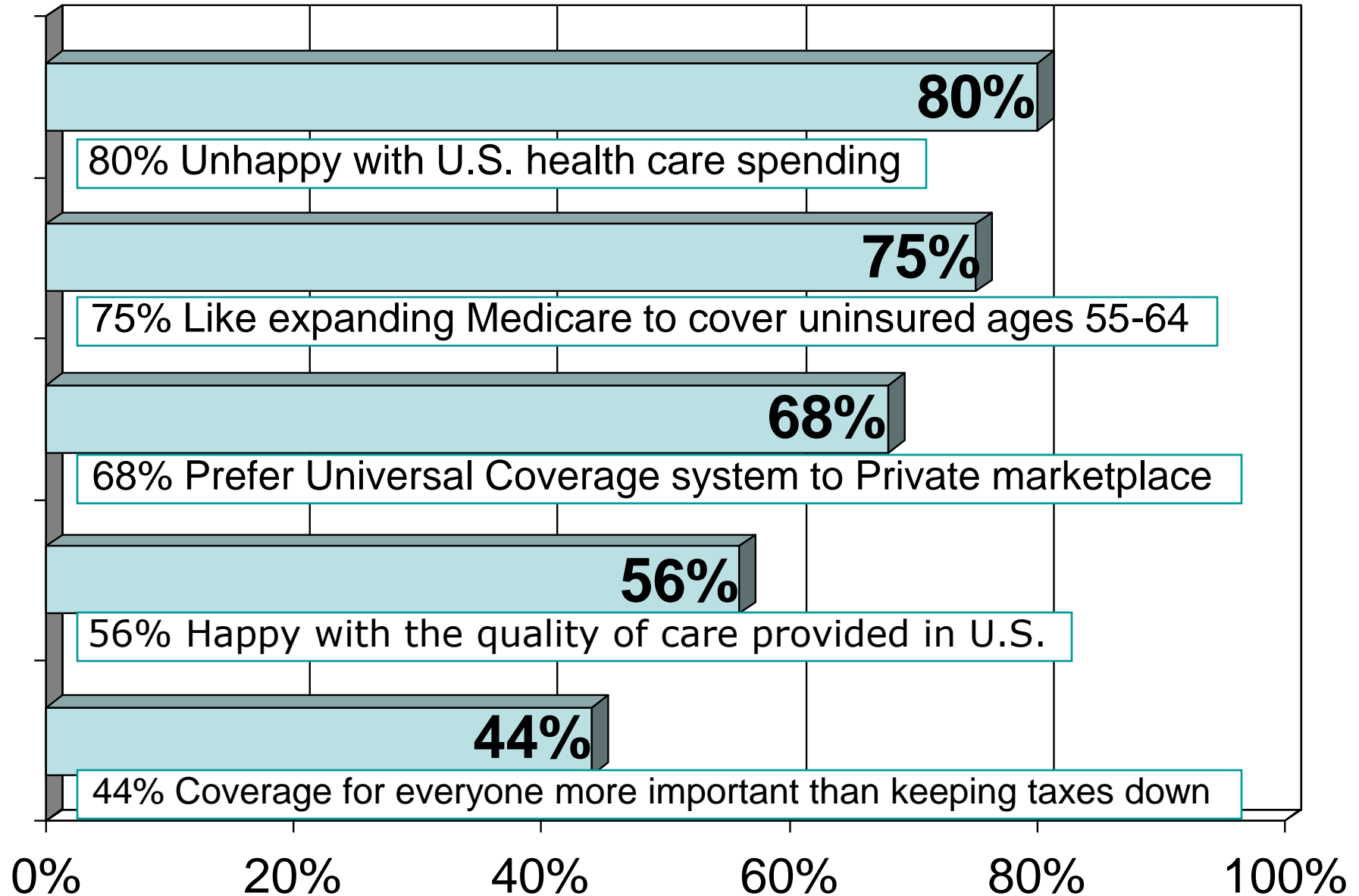


Myth #3 – It Costs Less

Workforce Productivity: GDP Per Capita

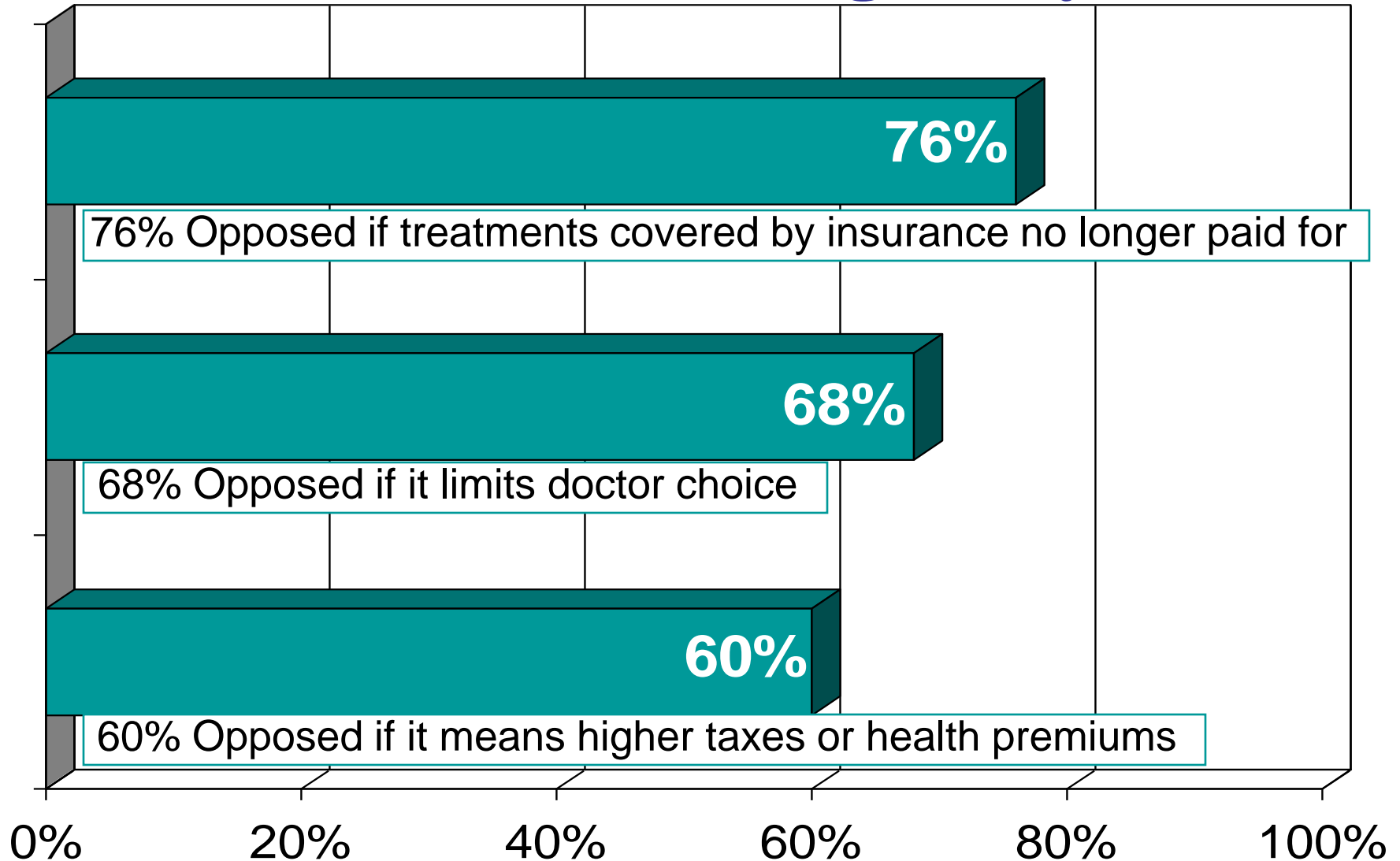


Look Past the Public's Desire For Change:



Source: USA Today/Kaiser Family Foundation/ABC News Poll, October 2006

Americans Value Freedom of Choice & Access Too Much for Single-Payer Limits



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.



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

Get Educated!