L2E Workshop, April 6 — Three Opinions to Respond to — Skim Them First

Directions: Please skim through these, deciding which one you might want to respond to in a letter of 200 words. You do not have to write the letter now, but it would be useful for you to select one to answer and read it just carefully enough to think about an angle or a key message. (Note they are of different lengths, and answering the shortest is just fine.)

Context: #1 is from a Syracuse paper is from a local Long Island weekly newspaper (255 words),
#2 is from a Syracuse paper (770 words),
#3 is David Brooks in the NYT (850 words)

#1 SYRACUSE Daily

As a Type I diabetic, anything affecting medical care is of personal interest to me. There has been much discussion of instituting a single-payer healthcare system in New York, so I read through the proposed bill (the New York Health Act) to see its implications. While the concept of fixing our healthcare sounds appealing, there are many concerns with this bill.

First, the bill does not state how the system will function. The bill will be passed first and then the Health Commissioner and a board will decide how it works. How can we know that they have a better way of running healthcare than current state and private insurances? If there is a better plan, shouldn't the state show us how it will operate first? Then we can decide if we want to sign away our freedom of choice?

Second, healthcare providers will lose their rights. The state will decide which procedures they're required to perform (despite possible ethical objections) and how much they will be paid.

In a free market system, you can take your business somewhere else if the services being provided are inadequate. In this system, the government will have power to decide which healthcare services to provide and to withhold, and even if they don't provide the care we think beneficial, we will be forced to pay the system anyway. Allowing our politicians to set up a healthcare system that we have little say in, and will not allow us to turn to other systems if it fails, seems irrational.

#2: Long Island Weekly — More on Medicare for All

Even in "socialist" countries like Sweden and Denmark, people pay 14 to 15 percent of healthcare out of pocket. Canada doesn't cover prescription drugs, with private insurance picking up 13 percent of the country's health bills.

Medicare for All would cost the federal government $32.6 trillion over its first 10 years, an increase of $6.65 trillion over current spending over a decade.

To make this plan work, there would have to be draconian cuts to providers and unrealistic savings on administrative and prescription drug costs. It would require high tax increases to be financed. One possible plan starts with an 8.4 percent hike in payroll taxes, sharply higher income tax rates and more.

Sally Pipes, writing in Investor Business Daily on Aug. 8, 2018, says "to control costs, the government would inevitably ration care. Patients would face long wait times, just as they do in the single-payers systems of Canada and the United Kingdom."

About 10 percent of Britons pay for private insurance on top of their government-sponsored coverage in older to get around these waits.

Bureaucrats could declare some treatments off-limits-perhaps because of their price, or perhaps because they thought a person was too sick or too old to benefit. Pipes writes that currently, the United Kingdom denies certain surgeries to smokers and obese people.

The U.S. is famous for over-spending on health care, according to Yoni Blumberg writing @YoniBlum on March 22, 2018.

Our nation spent 17.8 percent of its GDP on healthcare in 2016. Meanwhile, the average spending of 11 high-income countries assessed in a new report Canada, Germany, Australia, the U.K., Japan, Sweden, France, the Netherlands, Switzerland, and Denmark, and the U.S., published in the Journal of the American Medical Association, was only 11.5 percent.

We spent nearly double what the others spent.

According to researchers at the Harvard Chan School, what sets the U.S. apart may be inflated prices across the board.

"In the U.S., the report points out, drugs are more expensive, doctors get paid more, hospital services and diagnostic tests cost more, and a lot more money goes to planning, regulating and managing medical services at the administrative level."

The report challenges popular beliefs about why healthcare spending is so high.

Suggested high utilization rates are not so and various procedures such as knee and hip replacements and different types of heart surgeries are not much different than other countries. We actually seem to go to the doctor less often and spend fewer days in the hospital after being admitted.

The real difference between the American healthcare system and systems abroad is pricing. Specialists, nurses, and primary care doctors all earn significantly more in the U.S. compared to other countries.

General physicians in America make an average of $218,173 dollars in 2016 which was double the generalists in the other countries, where pay ranged from $86,607 in Sweden to $154,126 in Germany.

That might be a problem for some here with several children in private school and tuition being what it is. Administrative costs in the U.S. are about 8 percent of national health expenditures while they are one to three percent elsewhere.

As for the drug market, the U.S. spent $1,443 per capita on pharmaceuticals. The average pharmaceutical spending of all 11 countries came to $749 per capita with Switzerland following the U.S. at $939. The mean payment for an MRI in the U.s. was $1,145 compared to $350 in Australia and $461 in the Netherlands.

The report goes on to say, "Higher spending in some areas could make sense." Investing in pharmaceuticals, for instance, is believed to lead to innovation. Indeed in 2016, "the U.S. accounted for 57 percent of total global production of new chemical entities."

Investors Business Daily (Oct. 22, 2018) had an article saying "Obamacare was designed to fail so Democrats could push 'single payer.' This was called conspiracy mongering. But guess what," Obamacare is failing and Democrats are now pushing Medicare for All "as the solution."

Bills now in the House and Senate would outlaw private health insurance including all employer-provided plans, individually purchased insurance, and every single union plan. There would be no copays or deductibles on anything from doctor visits, surgery and drugs to long-term care, dental and vision. Only cosmetic surgery would not be covered. No other country in the world does that.

Our health care system could use some adjustments but overall, it is, in my opinion very good.

More people need to be given coverage, generic drugs should be more available when the patents on the original drug expire, and other changes to make lower price products from reliable manufacturers available.

#3 David Brooks: 'Medicare for All': The Impossible Dream.

Medicare for All only works if politicians ruthlessly enforce spending cuts.

The Brits and Canadians I know certainly love their single-payer health care systems. If one of their politicians suggested they should switch to the American health care model, they'd throw him out the window.

So single-payer health care, or in our case "Medicare for all," is worth taking seriously. I've just never understood how we get from here to there, how we transition from our current system to the one Bernie Sanders has proposed and Elizabeth Warren, Kamala Harris and others have endorsed.

Despite differences between individual proposals, the broad outlines of Medicare for all are easy to grasp. We'd take the money we're spending on private health insurance and private health care, and we'd shift it over to the federal government through higher taxes in some form.

Then, since health care would be a public monopoly, the government could set prices and force health care providers to accept current Medicare payment rates. Medicare reimburses hospitals at 87 percent of costs while private insurance reimburses at 145 percent of costs. Charles Blahous, a former Social Security and Medicare public trustee, estimates that under the Sanders plan, the government could pay about 40 percent less than what private insurers now pay for treatments.

If this version of Medicare for all worked as planned, everybody would be insured, health care usage would rise sharply because it would be free, without even a co-payment, and America would spend *less* over all on health care.

It sounds good. But the trick is in the transition.

First, patients would have to transition. Right now, roughly 181 million Americans receive health insurance through employers. About 70 percent of these people say they are happy with their coverage. Proponents of Medicare for all are saying: We're going to take away the insurance you have and are happy with, and we're going to replace it with a new system you haven't experienced yet because, trust us, we're the federal government!

The insurance companies would have to transition. Lots of people work for and serve this industry. All-inclusive public health care would destroy this industry beyond recognition, and those people would have to find other work.

Hospitals would have to transition. In many small cities the local health care system is the biggest employer. As Reihan Salam points out in The Atlantic, the United States has far more fully stocked hospitals relative to its population and much lower bed occupancy than comparable European nations have.

If you live in a place where the health system is a big employer, think what happens when that sector takes a sudden, huge pay cut. The ripple effects would be immediate — like a small deindustrialization.

Doctors would have to transition. Salary losses would differ by specialty, but imagine you came out of med school saddled with debt and learn that your payments are going to be down by, say 30 percent. Similar shocks would ripple to other health care workers.

The American people would have to transition. Americans are more decentralized, diverse and individualistic than people in the nations with single-payer systems. They are more suspicious of centralized government and tend to dislike higher taxes.

The Sanders plan would increase federal spending by about $32.6 trillion over its first 10 years, according to a Mercatus Center study that Blahous led. Compare that with the Congressional Budget Office's projection for the entire 2019 fiscal year budget, $4.4 trillion. That kind of sticker shock is why a plan for single-payer in Vermont collapsed in 2014 and why Colorado voters overwhelmingly rejected one in 2016. It's why legislators in California killed one. In this plan, the taxes are upfront, the purported savings are down the line.

Once they learn that Medicare for all would eliminate private insurance and raise taxes, only 37 percent of Americans support it, according to a Kaiser Family Foundation survey. In 2010, Republicans scored an enormous electoral victory because voters feared that the government was taking over their health care, even though Obamacare really didn't. Now, under Medicare for all, it really would. This seems like an excellent way to re-elect Donald Trump.

The government would also have to transition. Medicare for all works only if politicians ruthlessly enforce those spending cuts. But in our system of government, members of Congress are terrible at fiscal discipline. They are quick to cater to special interest groups, terrible at saying no. To make single-payer really work, we'd probably have to scrap the U.S. Congress and move to a more centralized parliamentary system.

Finally, patient expectations would have to transition. Today, getting a doctor's appointment is annoying but not onerous. In Canada, the median wait time between seeing a general practitioner and a specialist is 8.7 weeks; between a G.P. referral and an orthopedic surgeon, it's nine months. That would take some adjusting.

If America were a blank slate, Medicare for all would be a plausible policy, but we are not a blank slate. At this point, the easiest way to get to a single-payer system would probably be to go back to 1776 and undo that whole American Revolution thing.