

Guest Editorial:

Single Payer Saves Lives

by Alice Knapp, Esq., *Richmond*
Maine AllCare Board Member

Maine, with an aging population, is particularly hard hit by some of the highest health care and health insurance costs in the nation. The Affordable Care Act (ACA), commendable for its underlying principle that people should have access to health care, falls short of fully solving the problem of the uninsured as acknowledged by Congressional Budget Office studies which estimated that 27 million Americans will be left uninsured after full implementation of the law in 2016. Many Mainers will continue to “fall between the cracks.”

Being uninsured can be fatal. Federal law requires only that hospital emergency rooms “screen and stabilize” patients. An ER visitor screened and diagnosed with a malignant tumor sure to kill her in time cannot expect to be invited back for the standard-of-care treatment an insured patient would receive.



This is but one example underlying the more than 3000 PER month premature deaths occurring annually among the uninsured.

Other countries have managed to find rational alternatives to a profit-driven healthcare system that address cost, equity and quality—all measures under which the American healthcare system fares poorly by comparison. Many countries have chosen some type of single payer, “Medicare for All” system, including, after careful study of the options, Taiwan, the most recent entrant into the global community of countries with universal healthcare systems.

It is also instructive that Canadian single payer healthcare began as a provincial initiative in Saskatchewan that was later expanded nationwide. Vermont leads the way here in the U.S. Will Maine follow suit?

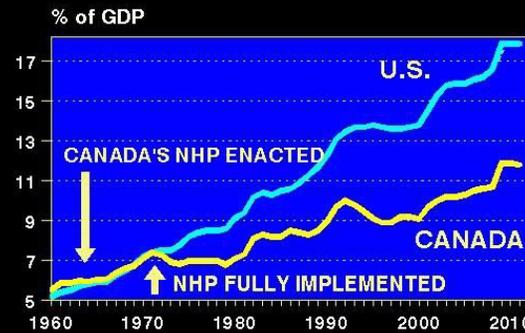
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WHO ASKED FOR FREE HEALTH CARE?

I WANT MY GOV'T TO SPEND MY TAXES ON MY HEALTH.

Mitt Romney's Military Deferments are "Entitlements."
Social Security and Medicare are "Earned Benefits."
www.facebook.com/MoralPolitics

Health Costs as % of GDP: U.S. & Canada, 1960-2011



Source: Statistics Canada, Canadian Inst. for Health Info., & NCHS/Commerce Dept

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We would welcome your response to this issue or suggestions for future Issues. Please respond on our website or by emailing us at:

info@maineallcare.org

and please write *Newsletter* in the Subject line.

-- Karen Johnson, Editor



July 2013
Maine AllCare

Single Payer Saves
Money and Lives

Why Are We Spending More and Getting Less?



“There has been a movement in this country for the past 50 years to de-professionalize medicine, with an underlying assumption that commercial ethics are the only valid and trustworthy ethics. This justifies increasing interference in health care decisions by hospitals, insurance plans, government, and an over-reliance on financial incentives to “fix” problems in health care, and especially its high cost. If these de-professionalizing forces are combined with fee-for-service, then we do indeed get unnecessary and inappropriate care. Insurance plans and government agencies then double down on monitoring documentation to look for fraud and abuse and try to develop financial incentives to deter unnecessary care. The result is a vicious cycle of escalating administrative burdens, declining access to care for patients who need it, and a demoralized physician work force. This is exactly what we are now experiencing!

Stephen Kemble, M.D., Honolulu, HI

Breaking the Piggy Bank

62% of all bankruptcies in the US are the result of medical bills.

- ✓ 3/4 of those had insurance.
- ✓ Most medical debtors were well educated, owned homes, and had middle-class jobs.
- ✓ Between 2001 and 2007 the number of bankruptcies due to medical debts doubled.

Assuming Maine's bankruptcies track the national experience, that would mean more than 10,000 Mainers declared bankruptcy due to catastrophic medical expense.



Department of Medicine
Harvard Medical School
2007

Families Can't Afford It

Millions of Americans struggle to pay medical bills that now average nearly \$10,000 per year. The United States is the only developed nation on Earth where the average family with health insurance pays more for health care than it does for groceries. That includes premiums and out-of-pocket costs for medical treatment.

OECD, 2012

States Can't Afford It

Health care spending in Maine accounts for one out of every five dollars of state GDP. Maine spends 21.7% of its GDP on health.

cms.gov

The Country Can't Afford It

Health care accounts for 17.9% of the USGDP.

Why do we spend \$8,233 per person per year, while 16 developed countries spend less than \$5,000 per person, even though, unlike the U.S., everyone in those countries has access to care?

World Bank, 2011

Workers Can't Afford It

The Milliman Medical Index shows that the total average cost of medical care for an insured family of four, including the employer's share, is now \$20,030. But the total dollar increase is about \$1,300, so families are paying several thousand dollars more than they were just a few years ago, increasing more than \$5,000 since 2009.

153 million of us, according to the latest census, receive health insurance through our employers. More than a third of those earning less than \$20,000 a year are uninsured (35.7%). Not good when the fastest growing job sector is in low-wage service occupations.

However, only 7.2% of those making more than \$40,000 are left uninsured.

OECD Health Data, 2012

So Who Can Afford It?

At the federal level, the benefits of preferential tax rates on capital gains and dividends, a break worth \$161 billion this year, go almost entirely to the wealthy, including 68% to the top one percent of earners (\$450,000+).

Reuters, 5/13

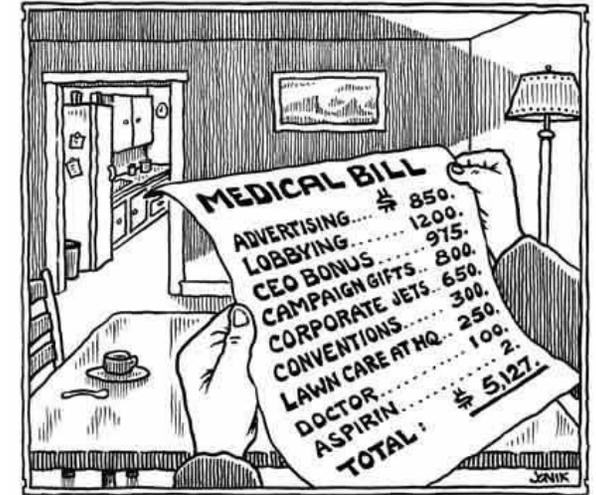
Where Does the Money Go?

30% goes to Irrational Health Care Costs –30 cents of every medical dollar is squandered on unneeded care, paperwork, fraud and other waste.

The Associated Press/Washington Post

BUT...The real winners in all this are the executives running these programs... The CEO of Cigna Corp racked up a salary of \$19.1 million in 2011. Blue Cross of Illinois pays its CEO \$12.9 million a year.

David Edelberg, MD, Chicago



“If we lowered administrative costs and drug prices to the Canadian level, we could save nearly \$600 billion dollars, more than enough to provide coverage to all of the uninsured while improving access for the millions of underinsured.”

Gerald Friedman, University of Massachusetts

What About the ACA?

The problem with the ACA isn't that it's evil. It's that it's inadequate. It doesn't offer the fundamental reform that should form at the heart of a new public vision and which should frame all future debate over health care.

Richard Eskow, Campaign for America's Future