American Health Care – The Illusion of Choice

By Peter S. Arno and Philip Caper, MD

"Choice" is a major buzzword in current discussions of healthcare. So let's discuss our actual healthcare choices—as individuals and as a nation, starting with the argument made by politicians, pundits, and media that over 160 million Americans love their health insurance and do not want this choice forcibly taken away by the likes of Bernie Sanders or Elizabeth Warren. As a physician and a health economist, we know that the concept of individual choice in the US healthcare system is largely an illusion. We also know with certainty from former insurance executives such as Wendell Potter that the false "choice" meme polls well with the American public. It was used to undermine the Clinton reform efforts more than 25 years ago and is being widely used today to manipulate public opinion. Americans really value choice of doctors and hospitals, as long as insurance plans are affordable and comprehensive.

Regarding employer-sponsored insurance coverage, it's important to realize that 66.1 million American workers lost or changed jobs in 2018, often accompanied by a loss or change in health insurance. Coverage also changed frequently for those remaining at the same job. In 2019, over half of all firms offering health benefits shopped for a new health plan, and nearly 20 percent of those actually changed carriers. The workers had no recourse, no choice when the new network chosen by their employer didn't cover their personal doctors or favored hospitals.

Additionally, almost half (45 percent) of U.S. adults ages 19 to 64—or more than 88 million people—were *inadequately* insured over the last year (either they were uninsured, had a gap in coverage, or had insurance all year but their out-of-pocket costs were so high that they frequently did not receive the care they needed). What choices did they have to improve their care?
Our choices on the national level are between unsustainable increasing expenditures and skimpier coverage with more out-of-pocket costs. While we shell out more than twice as much per person on total healthcare spending and prescription drugs as people in other developed countries, we rank near the bottom on infant mortality, life expectancy, and preventable mortality.

The real elephant in the room here is the transformation of the American healthcare system's core mission from the promotion of healing and the prevention, diagnosis, and treatment of illness to an approach dominated by large, publicly traded corporate entities dedicated to growing profitability and share price—in other words, the *business* of medicine. This commercialized, commodified and corporatized approach has failed. Costs have risen relentlessly, and the quality of and access to care for many Americans have deteriorated.

To reduce costs and have real choice, it is no exaggeration to say that the only option is publicly financed single-payer universal healthcare—Medicare for All. A public option, a Medicare option, Medicare buy-in, Medicare extra, or other half-measures will not succeed because the single largest source of savings in a single-payer framework is eliminating the bloated administrative costs generated by private insurers. And all "option" reform proposals leave these wasteful and unnecessary costs mostly intact.

The second largest source of savings in a universal single-payer system comes through reducing prescription drug costs, using the powerful negotiating leverage of the federal government. The ability, will, and policy tools to restrain costs in a single-payer framework are the key to reining in the relentless rise in healthcare expenditures and to providing universal coverage.
Beyond choice, the major objection to a universal single-payer system is cost. Yet public financing for healthcare is not about raising new money, but about reducing total healthcare outlays and distributing payments more equitably. Nearly every credible study concludes—and 50 years of Medicare demonstrates— that a single-payer universal framework would be less costly than the status quo, more effective in restraining future cost increases, and more popular with the public. The fact that every other developed country in the world provides this kind of coverage makes it clear that the challenges of overhauling our healthcare system are not insurmountable.

The real struggle for a universal single payer system in the US is not technical or economic but almost entirely political. Retaining anything resembling the status quo is the least disruptive, and therefore politically easiest, route. Unfortunately, it is also the least effective route to attack the underlying pathology of the American healthcare system—corporatism run amok. Adopting the easiest route will do little more than kick the can down the road and will require repeatedly revisiting the deficiencies in our healthcare system until we get it right.

Peter S. Arno, PhD
Director, Health Policy Research
Political Economy Research Institute
University of Massachusetts
Amherst, MA; parno@peri.umass.edu
Cell: 914-844-9175

Philip Caper, MD
Founding member of the National Academy of Social Insurance
Board Member, Maine AllCare
Brooklin, ME; pcpcaper21@gmail.com
Cell: 207-252-8514