

Healthcare Systems Handout

Group Agendas

Doctors: You got into medicine in order to help people, but now many of your patients can't afford their medications and avoid going to the doctor because they have to pay too much out of pocket – even if they have health insurance. You must see many patients in order to cover the cost of your office staff, who are responsible for billing and fighting with insurance companies to get them to pay for patients' care. As a member of the medical profession, your priority is to have a healthcare system where doctors and hospitals still get paid a fair amount, but you also want to focus on caring for people, not worrying about billing.

Wealthy People: You represent the rich people of America who are able to get excellent care under the U.S.'s current healthcare system. You have high-quality private health insurance coverage and can easily cover out-of-pocket expenditures as needed. You ask the tough questions about what the changes everyone else is proposing will really mean. Your priority is to stop everyone else from doing anything too drastic, especially eliminating private health insurance—who knows what would happen! You advocate for a healthcare system that fixes a few of the problems of the current system, but without going too far. You want to make sure the system is responsible and doesn't waste resources on people who don't really need it.

Self-Employed People: You work for yourself or own your own small business. Before the Affordable Care Act (Obamacare), you often had a hard time affording insurance, and it's still not be easy to pay for it. However, Obamacare provides you with some subsidies to help you cover some of the cost. Your priority is to have a healthcare system where health coverage is affordable— but that could mean a lot of different things. You listen carefully to the arguments of the other groups and think about how their ideas would affect the financial bottom line for your business.

People Without Insurance: You represent all the people who still have a hard time getting insurance or care for whatever reason. Maybe you earn just enough money that you don't qualify for Medicaid (the government-funded program for low-income people). Or maybe your job doesn't offer insurance and you can't afford to buy it on your own. Or, your job DOES offer insurance, but the premiums (monthly insurance payments) are so high, you can't afford to pay for it. Your priority is to have a system where you get the healthcare you need without just racking up medical bills that you can never pay.

Very Sick People: You or your family need a lot of medical care, a lot more than most people, so you have a special perspective on how healthcare systems can break down. You live in fear that you will lose access to health insurance coverage for the medications or special treatments you need to survive. You want a healthcare system where nobody ever goes without care because of their health or finances. You care about making sure that doctors get to decide what gets paid for, people never lose their insurance, and no one ever goes without tests or treatment they need.

Comparing Healthcare Systems

***Instructions:** Read and annotate this handout to show what you like about each country's healthcare system. Which country's system is best, according to your team's agenda?*

Healthcare systems in the U.S., Switzerland, Canada, and the U.K. are set up very differently in terms of who pays for the care and how care is provided. Broadly, the U.K. government pays for and runs all medical care; Canada pays for all medical care but does not run it; Switzerland requires all citizens to buy insurance but subsidizes the cost; and the U.S. uses a mishmash of all of the above.

The U.S. has many different systems to pay for healthcare.

- About half of people have private insurance through jobs, while some buy private insurance themselves.
- The Affordable Care Act (Obamacare) provides subsidies to help lower income people purchase their own private insurance plans.
- Many private insurance plans have high deductibles in addition to monthly premiums, forcing people to pay for care out of pocket until the deductible is met. Many people skip care because they can't afford to pay this money.
- About one-third of the population is on some kind of government health insurance plan, including Medicare (for people over 65 and the disabled), Medicaid (for low-income people), and military care.
- Nine percent of the population is uninsured and must pay for care directly – or else go without care.
- This complexity makes medical billing particularly expensive in the U.S.
- Hospitals are privately run, except for those for military veterans (VA hospitals) which are run by the government.
- U.S. medical care is the most technologically advanced and innovative in the world, and its doctors are the best paid.
- But the U.S. leaves more people uninsured than any other industrialized country, and health outcomes (like infant mortality and longevity) are not as good.
- The overall cost of U.S. healthcare is far higher than in any other country.

Switzerland requires everyone to buy private health insurance on healthcare exchanges (similar to the health exchanges under the U.S.'s Affordable Care Act).

- Insurance companies are non-profit organizations but compete for customers.
- Jobs do not provide insurance, and no one is allowed to go without insurance. As a result, the overall cost of private insurance goes down because the cost of medical care is spread over more people.
- Thirty percent of people get subsidies based on their income to help them buy insurance.

- Hospitals are privately run.
- The government negotiates drug prices and regulates fees for medical services to control costs.
- Swiss health outcomes are excellent, but costs are higher than many other countries (though still lower than in the U.S.).

In Canada, the government uses taxes to pay for health insurance for everyone.

- This “single-payer” system (meaning that the government is the single payer of health insurance) greatly reduces costs for medical billing compared to Switzerland and the U.S.
- Everyone in the country has health insurance and can go to any doctor or clinic and get care.
- Hospitals are privately owned, not run by the government.
- Canadian health insurance covers basic care but does not cover things like prescriptions, dentistry, and vision care. Sixty percent of Canadians get private insurance, usually through their jobs, to cover those things.
- Canadians have longer wait times to see doctors than many other countries, but when they have an urgent issue, they move to the top of the wait list.
- Their health outcomes are better than in the U.S.
- The country spends half what the U.S. spends on healthcare.

In the U.K., the National Health Service uses taxes to pay for almost all medical care (meaning it is single-payer) and also employs almost all doctors (meaning it is socialized).

- All U.K. citizens are covered for any medically necessary care including free prescriptions, dentistry, and mental health care.
- Copays are generally not required except for dentistry, and those are less than \$15.
- About 10 percent of Brits get private insurance, usually through their jobs, to cover medical care that their doctor decides is “elective” (optional).
- U.K. hospitals can be overcrowded and not as fancy as U.S. hospitals, without the latest tech.
- But overall costs are among the lowest in the industrialized world, and health outcomes are better than in the U.S.

Costs, Access, and Health Data

	U.S.	Switzerland	Canada	U.K.
Total cost (% of GDP)	17%	11%	11%	9%
Yearly cost per person	\$9,086	\$6,325	\$4,569	\$3,364
% who avoided medical care due to cost in past year	33%	22%	16%	7%
% who waited two months or more for specialist appointment	6%	9%	30%	19%
Infant deaths / 1000 births	6.1	3.9	4.8	3.8
Preventable deaths/100,000 people	112	55	78	85
Cost of medical billing as % of total hospital expenses	25%	Less than 25%	12%	12%-16%
Average doctor salary (adjusted for cost of living)	\$161,000	\$116,000	\$107,000	\$118,000

Sources:

<https://international.commonwealthfund.org/>

<https://www.nytimes.com/2018/07/16/upshot/costs-health-care-us.html>

<https://economix.blogs.nytimes.com/2009/07/15/how-much-do-doctors-in-other-countries-make/>

Questions for Teams to Consider

Discuss these questions as your team considers which system to support:

1. Should we work to make sure everyone has health insurance, or are there better ways to improve our system?
2. Should a public health insurance plan be an option that people can buy into only if they don't want to keep their current insurance, or should everyone automatically be enrolled in the public health plan covered by taxes?
3. Should people be allowed to choose different plans to get different options or benefits, or should everyone be on the same single-payer plan?
4. Should people have to pay whenever they use medical care (through copays and deductibles) to make sure they only use what's necessary, or should medical care always be free?
5. Should hospitals be run by the government to control costs directly, or privately to keep them competing on the free market?