

# Single-Payer? : Healthcare Now of Maryland

## Single-Payer?

### What is Single-Payer Health Care?

#### Single-Payer FAQ

#### What does the term "Single-Payer" mean?

Everyone has access to health care, from cradle to grave. Everyone in, no one out. Regardless of previous health status. Regardless of employment status or income or age or any other factor. It is your right as a U.S. resident.

#### What else has Single Payer been called?

Improved Medicare for all. Canadian style health care.

#### How does Single-Payer differ from what others have called "Universal Health Care"?

Single-Payer is the only health care plan that is truly universal because it covers everyone, no exceptions for pre-existing conditions, loss or change of employment, no waiting periods, no doughnut holes, no out of pocket expenses, no year after year of empty promises of reform with tiny incremental changes while year after year the number of uninsured and underinsured grows ever larger.

#### How is the current non-system organized?

The health insurance industry's sole reason for existence is to make a profit for its owners, its stockholders. The best way to maximize profits is to pay for as little actual health care as possible. Sell a product (health insurance) but spend as little possible on actual healthcare. Insure only healthy people. Drop those who have chronic illnesses or develop catastrophic health problems; they're too expensive. Use these profits for obscene executive salaries, advertising, administration, clerks, accountants, denial of care experts, stock dividends, lobbyists, campaign contributions. They health insurance companies call actual healthcare expenses medical losses.  $\text{Medical Loss Ratio} = \frac{\text{Healthcare Expenses}}{\text{Insurance Premiums}}$ ; is an insurance company term.

#### How much does this overhead add up to?

At least 31% of healthcare expenses in the United States go for administrative expenses, which means that less than 70 cents of every dollar spent for health insurance is available for actual health care. With a Single-Payer system over half of administrative costs could actually be used for health care. The savings amount to about \$400 billion per year nationally, which is way more than enough to provide comprehensive health care for the 48 million uninsured and the 10's of millions who are underinsured.

#### Well, aren't these overhead costs just the cost of doing business?

The Medicare fee for service program runs administrative costs of 1.8%. By comparison Medicare

Advantage (privately administered Medicare HMO's) run much higher administrative costs and in 2011 wasted \$34 billion dollars over publicly administered Medicare. This is an excellent example of a "natural experiment" of public versus private healthcare administration. Private administration is very wasteful for little or no benefit.

### **How do other countries deliver their health care?**

U.S. stands alone among all modern industrialized nations in not having a system for providing health care for all of its citizens.

### **What do we actually pay for health care in the U.S.?**

More than twice as much as the rest of the industrialized world, approximately \$8,924 per person per year in 2011; over 18% of GDP.

### **Well it's worth it. After all, we have the best health care system in the world don't we?**

No. It is true that there are many excellent doctors and hospitals in the United States. There is a woefully poor public health sector. The World Health Organization ranked the American healthcare system 37th based on outcomes and efficiency. In a study of the 20 wealthy OECD (Organization for Economic Co-operation & Development) nations, the U.S. has the highest rate of preventable deaths. If the U.S. had the same rate of preventable deaths as the best country in the study, we could save 101,000 lives annually.

### **Well, don't people without insurance get care in our emergency rooms and through Medicaid?**

Yes, some people use the ER but they are often at the ER with illnesses that could have been prevented with timely primary care. Because of economic limitations, many don't have access to a primary care providers and put off necessary life-saving care because of the cost. In Maryland, currently only special groups, children, the disabled, pregnant women and adults child caretakers are eligible for Medicaid unless you are totally indigent (income less 44% of the Federal Poverty Limit).

### **So what?**

Study after study has shown that when care is delayed, is substandard or avoided, it results in suffering, disability and death. Not to mention the excess costs for care that is provided in emergency rooms, or by hospitalizations that could have been avoided by earlier diagnosis and care.

### **How would Single-Payer work?**

A public agency would be created to organize health care financing, collecting money and paying the bills. Government is very good at these two tasks. The health care insurance industry would be eliminated as we currently know it. Insurance companies currently intrude as a barrier between patients and the doctor, destroying the therapeutic relationship. Health care costs would further be controlled by negotiation with drug companies, hospitals, doctors and other providers creating a system that would be reasonable and fair to all.

### **Can we afford such a system?**

In the long run, we will not be able to afford any other kind of system. Single-payer saves money by

decreasing administrative costs, eliminating unnecessary expenses like large CEO salaries, advertising, profits, dividends, etc. and enabling negotiations for pharmaceuticals, medical equipment and hospital rates.

**Wouldn't this be socialized medicine?**

No. The government would not own the health care system. Just as the government does not own the health care system with Medicare. Doctors, hospitals, drug companies, etc. would all remain private and be owned as they are now. However, they would have to negotiate with the public agency for what they could charge for their products and services and if they choose to remain outside of the system they would be free to do so.

**Would my doctor or hospital be assigned to me?**

No. You would be free to choose any doctor or hospital or other service that you need.

**Well, if it is that simple and that great, why don't we already have such a system?**

Good question. Maybe the best question yet. Lack of political will created in part by huge lobbying efforts and the expenditure of huge amounts of money to perpetuate the current dysfunctional medical-industrial complex and maintain power and profits at the expense of everyone else. Tradition. Inertia. Fear of change. Successful advertising and propaganda. Remember the "Harry and Louise" ads opposing the minimal efforts at reform proposed during the Clinton years?

**How can I learn more?**

Other websites that you can explore for more information are:

[www.pnhp.org](http://www.pnhp.org)

MD PNHP (Maryland Physicians for a National Health Program)

[www.SickoCure.org](http://www.SickoCure.org)

SickoCure.org is dedicated to promoting the only cure for our "sicko" health system: single-payer national health insurance.

[NY Times 12/31/06 article](#)

Single Payer does work

**What can I do to help?**

Join us. Become more informed. Commit time, energy and yes some money to help our efforts to convince our legislators that the time has come for Single Payer reform. Don't be passive, indifferent or give up hope. Remember the quote from Winston Churchill when he was asked early in WWII "Where are the Americans?". He said: "You can always depend on Americans to do the right thing, after they have tried everything else first". We have tried everything else. It is time to do the right thing and provide health care for everyone!