

Commentary

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The Challenge of Universal Health Care

Article 25 of the United Nations Universal Declaration of Human Rights states: "Everyone has a right to a standard of living adequate for the health and well-being, including food, clothing, housing and medical care and necessary social services and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control." In many countries, national health care is provided by government-run programs. The United States is alone among the major nations of the world in not providing a system of universal health care. By contrast, Europeans believe that universal health care is a fundamental right, just like education for children or pensions for the elderly. In the United States, high-quality health care is available to those who can afford it. However, more than 40 million persons are reported as not having insurance coverage for health-related risks and medical costs.

Leading health care experts explored the challenge of *Getting to Universal Health Insurance Coverage* at a recent conference of the National Academy of Social Insurance. Speakers at this conference identified alternative routes to achieving universal health care with a particular focus on affordability and deliverability. Health care costs represent the most important economic issue facing individuals and their families according to a recent national survey. One approach that is receiving attention is the use of mandates to establish health insurance as a legal requirement, just as automobile insurance is mandated for drivers on the nation's highways. Another approach would be to expand the current Medicare program to make it universally applicable, not just to the elderly. Keynote speaker Professor Uwe Reinhardt of Princeton University placed the affordability issue

in the context of projected GDP growth and inter-generational fairness. Other speakers compared the current U.S. system with the national health care systems of other countries, notably Canada, the United Kingdom and the Netherlands, and commented on how these countries have achieved universal coverage while maintaining costs within reasonable bounds as a percentage of GDP. The current debate in the United States has significant political ramifications and the views of the medical profession, the insurance industry, the pharmaceutical companies and privately-owned hospitals are powerful influences in the debate.

The affordability issue is, of course, of critical importance. On the one hand, a valid question is why the United States, as the richest nation in the world by most measures, is deemed by some economists and politicians as unable to afford universal health care and the realignment of national priorities that would be involved. On the other hand, the projected increases in the cost of the existing Medicare system over the next several decades represent a very real cause for concern. Perhaps policymakers should consider the experience of other countries, particularly as to the percentage of GDP allocated to providing universal health care, and then explore what kind of universal health care system could be provided within the constraints of affordability at a level broadly consistent with other nations.

In the United Kingdom, the introduction of the National Health Service in 1948 was made in a time of extreme economic difficulty when the nation was struggling to recover from the ravages of world war and when it faced a series of domestic economic crises. However, the political will and courage to accept the challenge of giving the highest priority to social programs such as national health

care prevailed and is immortalized in the words of Prime Minister Clement Attlee who had been challenged by opposition leader Winston Churchill on the affordability of a National Health program. Churchill launched a vigorous attack on the costs of the proposed system, and claimed that the system would require "ever-increasing Exchequer subvention" meaning that increasing costs were projected requiring diversion of Government revenues to support the system. However, Attlee to his great credit, and with the gratitude of virtually the entire UK population at the time, countered the Churchill offensive in the House of Commons with this response: "The question is asked; can we afford it? Supposing the answer is 'No'; what does that mean? It really means that the sum total of the goods produced and the services rendered by the people of this country is not sufficient to provide for all our people at all times, in sickness, in health, in youth and in age, the very modest standard of life that is represented by the sums of money set out in the Second Schedule to this National Insurance Bill. I cannot believe that our national productivity is so low, that our willingness to work is so feeble or that we can submit to the world that the masses of our people must be condemned to penury."

REFERENCE: House of Commons Official Report, fifth series, volume 418, 1946.

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