

Single Payer, Multiple Provider: Health & Education

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OK I can't resist a comment on today's health care debate. Let me know what you think. Of course, what we say will have no impact on what happens in Washington but I have a feeling we will not be done with the health care challenge for years to come. The "horse-designed-by-committee" that gets passed by congress will please no one (except the lobbyists who staved off more systematic change for their corporate health business profit-takers).

I believe strongly in a single payer system. What I mean by that is a "basic health care" system funded by general taxes on the whole population. No more taxes on businesses, no forced purchase of private insurance by individuals. No differences between Safeway and Wal-mart, or GM and Toyota. No more distinctive basic health care plans for state employees or US senators or veterans or retired fire fighters. We get rid of it all and fund basic health care – by basic I mean the current Medicare level enjoyed by senior citizens --- for all US citizens out of general taxes (probably income taxes).

What this does is even the business playing field. Safeway is at a competitive disadvantage (e.g., to WalMart) with its legacy union contracts for health care; same with Detroit vs Toyota. Penalizing small businesses that grow to a certain level by making them start paying exorbitant health care benefits is a major disincentive to growth and new jobs. Our current health care system funding through employers and private insurance was fine in an earlier era of stable lifetime employment, pre-high tech medicine (which knew nothing of pre-existing conditions), and professional service ideals in the health care world. It's all gone and not coming back.

One of the ironies is that the medically uninsured cost the rest of us anyway because when desperately ill they show up at emergency rooms we support indirectly through our own high costs. The cost of health care in the USA is something like double that of other industrial nations. The way it is funded and laundered by insurance companies (most of whom long ago abandoned their mission of shared risk and mutual care) is absolutely beyond redemption. The system we have has inequalities and costs and cruelties that cannot be reformed. And I am not writing just as a soft-hearted humanitarian but as a business development realist: the playing field is totally, radically unfair for business given today's health care mess.

Multiple Provider

The other side of the health care mess is the delivery side. And this is where most of us believe in a multiple provider system, not just one single nationalized health care provider. This is how Medicare operates. My parents just passed on in 2004 and 2008. They chose their doctors and changed whenever they moved or felt like they wanted to. Medicare paid most of their bills; a supplemental policy purchase through AARP paid all the rest. What's wrong with that? Remember this: the highest costs of health care by far are precisely for the 65 and up population. If Medicare has worked there, why not extend it through the population? The Medicare crowd won't see any change except greater long term security of the system and better coverage. Yes reforms are needed and there is corruption and inefficiency in Medicare. But all the loud-mouth nonsense about euthanizing the elderly, putting the elderly in long lines to suffer . . . this is utter lies and nonsense. Medicare stays the same: single payer, multiple competitive provider options.

No reason why some employers wouldn't or couldn't provide a supplemental health care benefit to cover your "cosmetic enhancements" or privilege you with single bed hospital rooms. Or individuals may want to afford such on their own. No reason not to have a "public option" available like county and VA hospitals and clinics alongside the private options. Look at how Federal Express, UPS, and the internet compete with the US Postal Service. Sometimes we use one, sometimes another. A public option means that your preferred private provider won't need to take me as a regular patient but I will still have a place to go (beside your emergency room). You won't need to use your Medicare at the public clinic (though you always could --- ad that is worth a lot).

People sometimes criticize the bureaucratic frustrations at the DMV or post office and say “Do you want your health care like that?” But this is nonsense. Lines and waiting periods and frustrations are every bit as terrible in private business and private hospitals as at post offices. Tried calling any customer service phone numbers lately? Greed, scandal, incompetence, and corruption are just as bad in the “private enterprise” world as the public and political world. People are people; bureaucracy is bureaucracy. And don’t believe the occasional British or Canadian health care griper on pundit tv shows (probably griping because they wish for an opportunity to profiteer on people’s ill health and desperation. My experiences living outside the USA for two years and using the health care systems in Sweden, France, and Canada, and my network of friends in the UK, Canada and elsewhere certainly sides massively with the positive message in Michael Moore’s film “Sicko.” And I am not proposing a single provider national health care system anyway, Single payer, multiple provider. Medicare for everyone, paid for by higher general taxes which will be more than compensated by the elimination of private health care premiums paid to the insurance industry.

Having public options and institutions is essential to be sure capitalism doesn’t turn predatory. We need state-run roadways, bridges, beaches, and parks --- alongside all the private enterprise. The government-haters and tax-evaders have a horrible case of historical and practical blindness. What would the air be like in LA today without government anti-pollution measures? The invisible hand of the market would never have cleared out that smog. Who would protect you from poisonous drugs or violent gangs if not for government? Everything should not be socialized; but everything should not be privatized either. Let’s see some balance out there in the pundit-zone.

Education Too

If any conservatives are still reading, bear with me now as I alienate many of your liberal colleagues. Like health care, education is a universal imperative. Those without adequate health care will come back to haunt and cost the society big time; and those without adequate education will do the same. The ignorant, uneducated, and socially dysfunctional are unemployable. The costs are enormous and growing.

My wife and I and our two kids all went through public schools in California, from Kindergarten through our B.A. degrees. Sometimes it wasn’t pretty and our adult kids still have some scars from their experiences. Nevertheless I still believe in the importance of having public schools, from pre-school through university. And they are funded largely by a single-payer system (general taxes).

But I am convinced that one of the best things we could do for our public schools and universities is make them compete in a multiple provider system. In other words, I am a proponent of a voucher system so that one’s share of the educational budget could be applied at Stanford as much as at Cal, at a private or parochial school as much as at a public city school. First of all, this is a matter of fairness and freedom. Second, a voucher system would spawn tremendous creativity, innovation, local entrepreneurship, and neighborhood participation and control.

Just as people want to choose their own doctor and medical provider (as I do with my physician at Kaiser), they naturally would like to choose their teachers and schools. Many of our teachers and schools are failing and the cost to our businesses and our society is enormous. Let’s see some competition and free enterprise.

The public schools would lose some students when parents could more easily pay for them to attend private schools. But then the public system could slim down its bureaucracy, lay off the non-performing teachers, sell some excess property – and have a well-funded new lease on life in our cities and beyond. We must keep a public system so that no one will lack for an education (from pre-school through university). Many of us would choose to be involved in that system as teachers and parents; we would not opt for the private alternatives; but we should have that option.

Again, I am not pushing this as a hard-hearted conservative (few will accuse me), but as a business development realist: something radical must be done to ratchet up the quality of education.

The Political Trade-off: Single Payer, Multiple Provider Health Care and Education

For sure, the government will need an agency to license schools as well as health care providers for eligibility to receive service vouchers (medicare and educare?). The flat out quacks and kooks need to be detected and rejected. But beyond that let's keep the market as open as possible: formal and informal, traditional and contemporary, conservative and progressive, high tech and low tech --- I mean medicine, and I mean education.

Generally speaking, the liberals want single payer health care and the conservatives want school vouchers. I say, let's make a deal and do both out of the same underlying philosophy and values.