

Decades of trying, but health reform remains elusive in US

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The United States, entangled in conflict overseas and struggling economically, was at a fraught moment when the president called for a national health care overhaul.

The country "now spends more than \$75 billion annually on <u>health care</u>... yet despite this huge annual national outlay, millions of citizens do not have adequate access to <u>health</u> care."

That observation could have been offered by current President Donald Trump, or predecessor Barack Obama. But it was Richard Nixon's lament, way back in 1972.

The US has a longstanding reputation for world-class medicine, doctors and hospitals, but for decades it has also been riddled with gaping holes that have left millions without health insurance.

Every president in living memory—including Bill Clinton and his wife Hillary—has made some kind of effort to plug the gaps. But the problems persist to this day, only multiplied.

During the 1970s, <u>health care costs</u> represented seven percent of the US economy. Eight presidents later, that figure has ballooned to 18 percent.

The rate is half again more than that of France, with results worse than most other wealthy nations. An American girl born today is expected to live four years less than her French counterpart.



Public, private

Republicans today are seeking a fresh overhaul. When the Senate reconvenes Monday after a 10-day break, Trump will be under intense pressure to find a middle path that wins over enough conservatives and moderates in his party.

At the heart of today's problem is the US system's split personality—part private, part public—which complicates broader efforts at reform.

From the late 1920s, Americans began purchasing private insurance coverage. After World War II, US companies started offering their employees <u>health insurance</u>, and millions signed on.

But that did little to help unemployed, poor or elderly citizens. In 1965 the federal government stepped in, creating the Medicare program for those age 65 and above and Medicaid for lower income and disabled Americans.

Tens of millions still fell through the cracks.

Then came 2010's Affordable Care Act (ACA), Obama's signature domestic achievement, which lowered the share of uninsured to about 10 percent. While that is a historic low, 26 million Americans remain without coverage.

Health care expenses have swelled in part due to lack of government regulation. Costs increased each year at an unsustainable rate, along with the advent of new technologies like MRI scanning and 3D mammography.

"This is the only industry where technology advances have increased costs instead of lowering them," wrote journalist Steven Brill in his 2015



book "America's Bitter Pill."

"When it comes to medical care, cutting-edge products are irresistible; they are used—and priced—accordingly."

In the United States, if you break a leg, the (private) hospital sends your (private) insurer the bill, which typically amounts to several thousand dollars for a few hours in the emergency room. Each examination, X-ray and follow up incurs new charges.

With "Obamacare," a move was made to shift away from the costly and inefficient fee-for-service model to payments to hospitals based on quality of care.

But "we're still a system based on volume of care versus value of care," Howard Bauchner, editor-in-chief of the Journal of the American Medicine Association, told AFP.

"Until value or bundled payments become more comprehensive, it's not clear to me that the rate of rise of costs will be contained."

Political compromise

Bill Hoagland, senior vice president at the Bipartisan Policy Center and a former top Senate budget staffer, says <u>health care reform</u> has been a priority for seven decades, with Congress struggling to rein in costs.

"There's one way to control costs in this country, which is something that Americans don't like: that is price controls," he said in an interview.

"This is a country that prides itself on the private sector and choice, (not) the fear that government comes in and over-regulates our health care and dictates to us which doctors we see or hospitals we go to."



The public-private duality is so deeply entrenched that most Democratic presidential candidates have dropped the idea of a public single-payer system for all, like those in Europe. Only far left figures like Senator Bernie Sanders embrace that option.

Republicans, for their part, have long promised to dismantle Obamacare and reduce the role of government. But some in the party's centrist wing oppose such dramatic separation, making full repeal of the ACA unlikely.

Hoagland believes Democrats and Republicans ultimately will need to compromise in order to contain surgings costs and expand coverage.

Time is short. At current trending, health expenditures will account for 20 percent of GDP by 2025.

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