

Nurses' guide to single-payer reform

Insuring America's health: principles and recommendations

*The sixth and final report of the Committee on the Consequences of Uninsurance of the Institute of Medicine of the National Academy of Sciences
January 2004*

Executive summary

*Abridged by Ken Frisof, MD
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The lack of health insurance for tens of millions of Americans has serious negative consequences and economic costs not only for the uninsured themselves but also for their families, the communities they live in, and the whole country. The situation is dire and is expected to worsen.

In a series of five reports, the committee concluded that:

- The number of uninsured individuals under the age of 65 is large, growing, and has persisted even during periods of strong economic growth.
- Uninsured children and adults do not receive the care they need; they suffer from poorer health and development, and are more likely to die early than are those with coverage.
- Even one uninsured person in a family can put the financial stability and health of the whole family at risk.
- A community's high uninsured rate can adversely affect the overall health status of the community, its health care institutions and providers, and the access of its residents to certain services.
- The estimated value across the population in healthy years of life gained by providing health insurance coverage is almost certainly greater than the additional costs of an "insured" level of services for those who now lack coverage.

Lessons from the past and present

Past campaigns have yielded both incremental changes and major reforms, but not universal coverage, due to the challenges to major structural changes posed by American political arrangements and the lack of political leadership strong and sustained enough to forge a workable consensus on coverage legislation. In addition, the opposition of provider, insurer and business groups with economic interests potentially adversely affected by specific reform proposals has blocked universal coverage even though many have agreed with the general need for reform.

Federal incremental reforms over the past twenty years have made little progress in reducing overall uninsured rates nationally, although public program expansions have improved coverage for targeted previously uninsured groups. Federal reforms of employment-based insurance have not included provisions for assuring affordability and, thus, have had limited effect.

Although some states have made significant progress in reducing uninsurance, even the states that have led major coverage

reforms have large and persisting uninsured populations.

Conclusion

The persistence of uninsurance in the United States requires a national and coherent strategy aimed at covering the entire population. Federal leadership and federal dollars are necessary to eliminate uninsurance, although not necessarily federal administration or a uniform approach throughout the country. Universal health insurance coverage will only be achieved when the principle of universality is embodied in federal public policy.

Vision statement and principles

The Committee on the Consequences of Uninsurance envisions an approach to health insurance that will promote better overall health for individuals, families, communities and the nation by providing financial access to everyone to necessary, appropriate, and effective health services.

The evidence reviewed by the committee in its first five reports contributes to this shared vision and the following five key principles:

1. Health care coverage should be universal

2. Health care coverage should be continuous.
3. Health care coverage should be affordable to individuals and families.
4. The health insurance strategy should be affordable and sustainable for society.
5. Health insurance should enhance health and well-being by promoting access to high-quality care that is effective, efficient, safe, timely, patient-centered and equitable.

Using the principles and next steps

The committee concludes that health insurance coverage for everyone in the United States requires major reform initiated as federal policy.

The committee recommends that the president and Congress develop a strategy to achieve universal insurance coverage and to establish a firm and explicit schedule to reach this goal by 2010.

The committee recommends that, until coverage takes effect, the federal and state governments provide resources sufficient for Medicaid and SCHIP to cover all persons currently eligible and prevent the erosion of outreach efforts, eligibility, enrollment and coverage.

It is time for our nation to extend coverage to everyone.

For more information, go to www.iom.edu/uninsured. ■

Only single payer guarantees quality, affordable health care

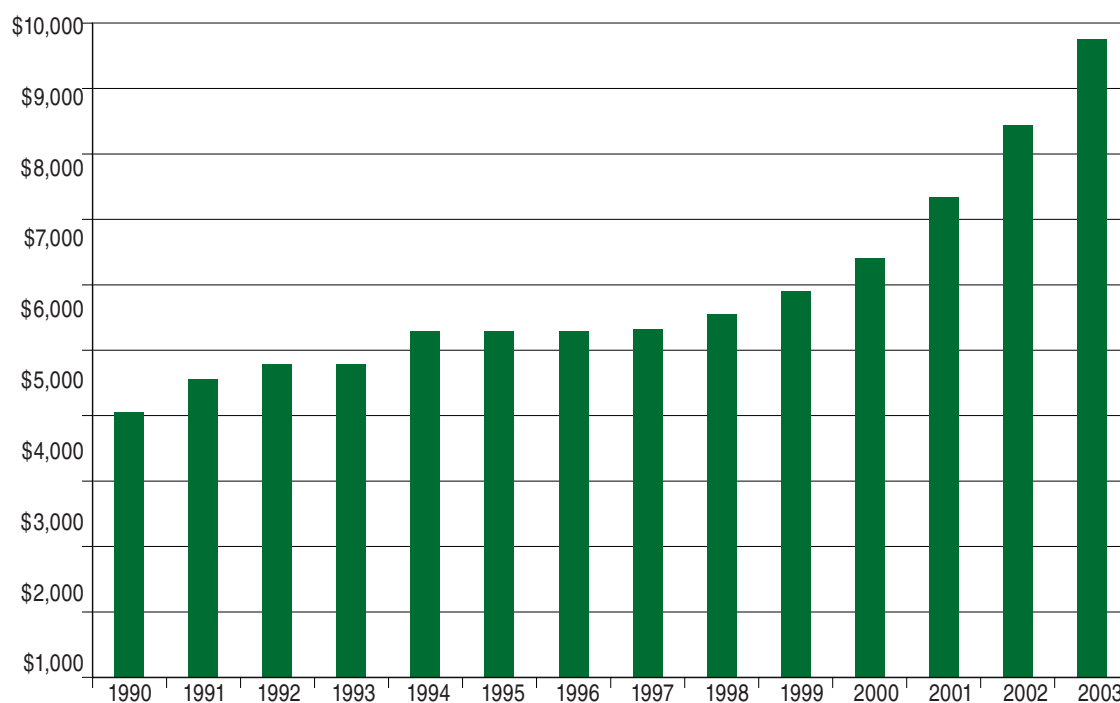
In its recent report entitled "Insuring America's Health," the National Academies of Science Institute of Medicine offered five guiding principles to judge proposed solutions to the health care crisis, saying that health care should be:

- Universal
- Continuous
- Affordable
- Sustainable
- Something that enhances the health and well-being of everyone

Judge for yourself: in comparison between all approaches (expansion of Medicaid, employer mandate, individual mandate with tax credit, and single payer) only single payer health care guarantees universal access to high quality, affordable health care. ■

Family health insurance annual premium

Steady benefit package, big employer, Eastern Massachusetts, 1990-2003



Why are health costs so high—and rising—in Massachusetts? Some groups (hospitals and others) deny our costs are high. Yet, if we spent at the U.S. national average, we would save some \$11-12 billion this year alone.

Some of our higher costs are actually attributable to:

- higher wages
- research
- service to patients from other states
- a slightly older population
- and the like.

But more of our higher costs are actually associated with:

- serving more patients in costly teaching hospitals (highest

rate in the nation)

- relying heavily on hospitals to provide outpatient (non-emergency) care, even though that tends to be more costly
- the nation's highest physician/population ratio
- a tradition of relatively elaborate and expensive care
- higher nursing home spending

This is not just a hospital problem. Massachusetts health care costs per person are higher in virtually every sector of health care.

—*Testimony on Single Payer Health Care by Alan Sager, Ph.D. and Deborah Socolar, M.P.H.*