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READING IT IN THE PAPERS

Health care in the US is in crisis, but discussion is only visible in the business sections of our newspapers. Why so?

The reason for the economist-driven analysis of health care is that the US system is dependent on employer-based health insurance. Self-purchased policies are prohibitively expensive, so working families have to get insurance through their employer. But, as the cost of this rises, so do employer overheads. More employers are choosing to give a fixed sum to employees, to find insurance themselves or opt out all together. The Bush 'health plan' similarly gives tax breaks to citizens, with which, presumably, they find bargain-basement treatment for hypertension or lowest cost cholecystectomies.

Physicians' trade unions continue to work for programmes that seem primarily to line physicians' pockets. Physician leaders generally act like deer in the headlights when discussing what should be done about the impending meltdown. We doctors portray ourselves as victims of truly burdensome regulatory and economic controls, but such portrayals don't win much sympathy from a public who can't figure out how to pay their medical bills. Meanwhile, the burgeoning niche practices are creating interest groups that prohibit organised medicine from ever coalescing around a central idea of health care for all.

Large, low-wage employers like Walmart don't even offer health insurance to many of their workers but force them to apply for state-based Medicaid for the poor, shifting the cost of care to the public. Even large health employers are not insuring their employees. In one of the largest health systems in the Midwest a quarter of employees have to spend more than 20% of their take-home pay on family health insurance and so most have chosen to go without.

The US may be the only country on Earth where one regularly sees posters in grocery stores advertising bake sales to help finance some community member's liver transplant or pay for injuries suffered in an auto accident. That it is cruel and unprincipled to have families beg for help that is available in most other countries seems to be lost in the rush to sell cookies. Communities and church groups seem eager to organise 'jumble sales for kidneys' rather than get angry about the reasons that such things are necessary.

The economist Paul Krugman has written a series in the *New York Times* on the healthcare system that shows exactly how broken it is and

outlines a universal system of care.¹ Meanwhile, Daimler-Chrysler build new plants and add new shifts to its operations in Ontario Canada, but retrench in Detroit, in part because Canada's national health system lowers the company's overheads. Yet, with a rise in US healthcare costs that exceeds that of inflation each year, the economic debate continuously focuses on the economic environment rather than the healthcare needs of workers. Imagine adding 7.5% of base overhead (2004's rise in healthcare costs in the US)² to the cost of production in the UK and you begin to understand what not having a national health system in the US is doing to 'competitiveness'.

HMOs, while vilified for limiting choice, did limit costs in the 1990s and did satisfy the economics of an employer-provided health care. However, the 'freedom' button that the conservatives trot out anytime there is a healthcare discussion, and the for-profit nature of HMOs that made CEOs millionaires, killed HMOs and healthcare reform in their tracks. Now we are back to the 'market' and its supposed limiting effect on costs. No luck. The overall cost over the past 5 years has almost doubled the rise in GNP and has not been matched by a rise in quality.³ We are back to the corporate sector trying to jawbone down costs and increase quality. But, as jobs and businesses move 'overseas', it seems more likely that international businesses will move to Canada, Ireland, India or China rather than push for substantive healthcare reform.

But all may not be lost. Global warming and the Iraq misadventure have discomfited comfortable Americans, and the corporate world and the expanding universe of uninsured workers may no longer buy the 'we have the best healthcare system in the world' argument.

Whatever, meaningful change will not be led by doctors or doctors' organisations. We are too afraid of what we will lose rather than what we and our communities have to win. Are our heads buried in the sand? Stay tuned.

John Frey

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