

Running Header: Healthcare in America

Secure America's Future: Reform Healthcare

Linda K. Maddox

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Professor Wendel

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Sixty-one years after adopting the Universal Declaration of Human Rights, the United States is the only industrialized nation that does not address the problem of health care being denied to citizens based on their ability to pay and pre-existing conditions. Article 25(1) identifies that every individual has the right to an adequate standard of living and medical care falls under that right (United Nations, 1948). Currently, United States is the only industrialized nation that does not guarantee access to health care as a right of citizenship and twenty-eight industrialized nations have single payer universal health care systems run by the government (Battista and McCabe, 1999). The question can be asked as to why the government guarantees healthcare to veterans and senior citizens, yet excludes the rest of the population. Why does the United States remain committed to an inefficient, totalitarian system that makes healthcare accessible to the wealthy while making it financially unattainable for the poor, the unemployed, and the individual with a pre-existing condition?

Over 20 years ago a government agency reported to the President that citizens should have affordable access to health care (Department of Health and Human Services [DHHS], 1983). The Census Bureau showed that over 46 million citizens in America were uninsured in 2005 and the numbers of uninsured continues to increase as the economy worsens and more and more individuals are laid off (Center on Budget and Policy Priorities [CBPP], 2006). Former President Clinton campaigned with the slogan, "Health care should be a right, not a privilege" (Kelley, 1994). As history illustrates, healthcare is an issue that United States has struggled with for decades, and

part of the problem is the conflict that exists on what constitutes a right and what our Founding Fathers regarded as our fundamental rights. Is healthcare fundamental and an essential need? Thomas Bodenheimer wrote an article where he discusses healthcare as an equal right, something that the government should guarantee to all citizens and feels that healthcare is a legitimate function of a civilized society (Bodenheimer, 2005). It is a fact that every American requires healthcare services; as children for immunization shots, annual/routine check-ups, preventative care, treating chronic conditions, or receiving urgent care for serious injuries due to accidents (Citizens' Health Care Working Group [CHCWG], 2006). Currently, the United States does not have single payer universal health care program for all citizens; but examining healthcare worldwide, this is the one program that has demonstrated to be the most efficient, democratic and equitable means to deliver health care for all citizens.

America has been the pioneer and leader in medical advancements and major developments, yet we have millions that are unable to access such medical care. Those individuals who do not have adequate coverage or no access to healthcare coverage only help to increase the costs and it is taking a toll on our nation's health and economy. The increased numbers of individuals seeking medical treatment in hospital emergency rooms are the cause of many hospitals filing for bankruptcy. One in five adults under the age of 65 and almost one in ten children are uninsured (CHCWG, 2006). Marleise Rashford is a Family Nurse Practitioner and noted that federal programs such as Medicare and Medicaid have significantly improved the health of the citizens who are eligible for these programs. Under-insured and uninsured adults often do not receive adequate health care due to the high medical costs. These individuals

are less likely to have their blood pressure, cholesterol checked, annual flu shots, delay preventative screening tests, and women will forego annual mammograms (Rashford, 2007).

The majority of citizens in the United States are demanding reforms within healthcare insurance industry as evidence suggests that the quality of life we all seek in America is threatened by the rising costs and inadequate coverage in our current healthcare system. Senator Kennedy not only believed that health care was a right but fought his entire career to ensure that all Americans had quality healthcare and realized that the United States spends more per capita for healthcare than any other industrialized nation while getting less value on the amount that is spent. He realized that in such an affluent and prosperous society where our core values are the right to life, liberty and the pursuit of happiness is a deception especially when families face financial ruin due to the rising costs of health insurance and the out of pocket expenses associated with a serious or chronic illness (Kennedy, 1998). A 2008 study showed that medical expenses put approximately 1.5 million families at risk of losing their homes and on average, middle class families with private health insurance spend about 9% of their household incomes on premiums, deductibles and co-payments. The report uncovers the hardships families faced in the years before and after bankruptcy which included the loss of telephone service, the inability to purchase food for the family, and loss of transportation. Many did not get their medical prescriptions filled and 15% took out second and third mortgages. Some individuals used credit cards to charge medical bills and purchase prescriptions and blamed high co-payments and deductibles for their financial ruin. In serious cases of illness, many individuals found that they had utilized

their annual/lifetime coverage amounts. After filing for bankruptcy many individuals found that they were turned down for jobs and could not obtain apartment rentals or car loans (Robertson, Egelhof, Hoke, 2008). While many times illness leads to job loss and consequently, the loss of healthcare coverage; exactly when families and individuals need it the most.

Medical and insurance costs continue to rise sharply as healthcare expenses were estimated to be about \$6,400 per person annually in 2004 and are projected to increase to approximately \$12,300 by 2015. These trends will also see an increase in out of pocket expenses for co-payments, deductibles, and uncovered services. When parents lose a job it creates even more hardship for families if a child has a chronic illness such as asthma, as this becomes a pre-existing condition and will not be covered under any new insurance plan. The cost and potential financial ruin that families face for pre-existing conditions is staggering (CBPP, August, 2006). The most common way people obtain health insurance is through their employer; however, more and more middle class families face difficulties in obtaining healthcare and the rising numbers of working families that are losing healthcare has steadily increased annually as employers are finding it difficult to provide workers with insurance due to the rising costs.

The number of employer provided health insurance fell 4.5 percentage points in a six year span (Gould, 2007). This downward trend indicates that reform is needed now, as more businesses cannot offer healthcare, jobs are being shipped overseas due to the costs of healthcare, the rise of unemployment, and the lack of affordable

insurance outside the workplace means that the uninsured figures will continue to rise in the United States (Lee, 2009). Nearly one in four middle class employees are not offered health insurance and individuals who obtain insurance through their job have little choice in their plan or provider, and most plans require a referral to see certain doctors and specialists. Unfortunately, individuals find that there are still more out of pocket expenses associated with going to see a physician in an emergency room or outside of the approved network of physicians (Herzer & Seshamani, n.d.). It is ironic that a nation whose foundation is based in freedom has so little of it when it comes to healthcare.

Small businesses find it impossible to offer and afford healthcare insurance for their employees and 53 percent of middle income Americans work in small businesses with 40 percent not being offered health insurance (CBPP, August, 2006). Estimates find that employer premium rates will continue to rise from approximately \$429.8 billion in 2009 to \$885.1 billion in 2019 thus reducing the affordability of employer provided insurance (Herzer & Seshamani, n.d.). The inability for small businesses to provide healthcare insurance impacts the growth of the business as they cannot compete and attract the skilled individuals needed to help grow the business.

The table below illustrates the decline in employment-based health insurance (Gould, 2007).

TABLE 2

Employment-based health insurance, by work status, 18-64 year olds

	Coverage rates		Percentage-point change
	2000	2006	2000-06
Employment-based coverage	69.3%	64.2%	-5.1
<i>coverage through their own job</i>	48.8	44.5	-4.3
<i>dependent coverage</i>	20.5	19.7	-0.8
Private wage and salary workers			
<i>coverage through their own job</i>	57.3	53.8	-3.6
attached workers			
<i>coverage through own job</i>	62.8	58.7	-4.1
<i>employer pays portion of premium</i>	58.9	55.0	-3.9
marginally attached workers			
<i>coverage through own job</i>	15.6	13.9	-1.7
<i>employer pays portion of premium</i>	12.7	11.2	-1.5
Public workers			
<i>coverage through their own job</i>	73.1	73.3	0.2

NOTES: Attached workers work at least 20 hours per week and 26 weeks per year and account for 89% of private wage and salary workers. Marginally attached workers are the residual with positive hours and positive weeks. Private wage and salary workers and public workers account for 76% and 15% of the total workforce, respectively. The remainder is accounted for by the self-employed and those working without pay.

SOURCE: Author's analysis of the March Current Population Survey, 2001-07.

Further declines in accessibility to health insurance impact American's health and life expectancy. In 1945, men and women in the United States ranked first in the world in life expectancy and that number for men dropped to 21st in 1990 and woman rank 20th, respectively (Battista & McCabe, 1999). While the health of other industrialized nations is on the rise, more data continues to show that the health of a citizen in the United States is declining. When compared to other nations, The United States spent approximately \$2.2 trillion on healthcare in 2007, or \$7,421 per person. This comes to 16.2% of GDP, the most expensive in the world and nearly twice the average of other developed nations with an overall health ranking of 24th and a ranking of 28th in life expectancy. By comparison, Japan is ranked first in overall health and spends 7.9%

GDP. Total spending in America is expected to increase from a projected \$2.6 trillion in 2009 to \$5.2 trillion by 2020; while Medicare and Medicaid will account for approximately 30 percent of all government spending by 2020 (Sheshamani, n.d.). If these projections are accurate, America's future economy will face serious difficulties, while illustrating that the United States lags behind other countries who have established programs that provide coverage to all citizens.

How can America be the world leader? How will these rising costs further impact our economy? Mortimer Zuckerman, editor in chief at U.S. News and World reports notes that healthcare costs have steadily increased four times the rate of inflation. Increasing healthcare costs combined with a weakened economy jeopardize both employer sponsored insurance and recent expansions in public coverage. There is no evidence that the trends driving loss of insurance coverage will reverse without government action and serious reform within the insurance industry. Like many others, Zuckerman points out that healthcare reform is essential to our future in order to avoid the economical risks Americans will face in the future should broad-based reform fail (Zuckerman, 2009). In more practical terms, healthcare costs add \$1,525 to every vehicle produced by General Motors in 2008 (Seshamani, n.d.). Unless changes are made healthcare costs will continue to rise, more and more people will find themselves unable to afford insurance and the nation could find itself spending as much as 25 percent of its total economy on healthcare.

America's current health care system is threatened by rising costs, unreliable quality, and problems accessing care. Even more startling is the fact that 20,000

Americans die every year of treatable diseases because they cannot see a doctor (CHCWG, 2006). The problems are multifaceted and connected to each other, as the entire health system works like a network, where changes made in one aspect of the healthcare system affect other parts of the system. As new technologies are developed and improve the quality of care, this leads to higher costs and rising costs contribute to increasingly unaffordable care. People without health insurance or with inadequate benefits receive care they cannot pay for and this uncompensated care further increases the expense of healthcare.

Healthcare reform will improve the economy by reducing healthcare spending and lessening the federal debt. Reform will also improve the amount of money spent by Corporations that provide insurance to their work force and will improve the labor market which will further improve the economy (Chernew, 2009). Some of the advantages to health insurance reform are greater financial security and stability, peace of mind, the ability to receive preventive care, and greater life expectancy (Robertson, Egelhof & Hoke, 2008). For individuals reform would mean affordability and accessibility for everyone; pre-existing conditions would no longer be an obstacle for obtaining health insurance.

Changing the framework of our current healthcare system will not be easy, but depriving millions of Americans access to affordable healthcare is wrong. Rising costs, escalating rates, reduced access and the rising numbers of the uninsured make it obvious that the current healthcare system does not work in America. Healthcare reform is essential and necessary to ensure high-quality care is accessible and

available for all citizens as well as ease the financial burden to American Corporations.

Health insurance matters and reforming healthcare to cover all American citizens is crucial and the moral path that the government needs to act upon now.

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