A Universal Healthcare System: Is It Right for the United States?

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TOPIC. A Universal Health Care System: Is it Right for the United States? The over 45 million Americans who are uninsured speak volumes about the problems with our present healthcare system. Many Americans do not have access to basic health care and it is time to revisit the importance of universal health care for all Americans.

PURPOSE. To gain a greater understanding of the facts, figures, and support for universal health care in America.

SOURCE OF INFORMATION. A literature review of five research studies.

CONCLUSION. The implementation of universal health care in America is a plausible feat, but the support of several facets of society is necessary for this to become a reality.

Search terms: Universal health care, healthcare reform, access to health care, health care for all

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Introduction

Universal healthcare coverage is an important subject for all Americans. Millions of Americans are not covered by health insurance plans, many cannot afford to purchase health insurance, and many employers do not offer such coverage due to high costs, especially for small businesses. Part-time workers, seasonal workers, and most if not all undocumented workers do not have any insurance coverage (Altman, Reinherdt, & Sheilds, 1998). It is the poor and those at the lower end of the socioeconomic bracket who suffer most from the inability to afford health insurance. As the population ages and more people rely on social security, it has become more difficult for this group to afford medication and some healthcare services.

As a nation we need to be very concerned about the health of those in the lower socioeconomic bracket. They are the people who work in the service industry, attending to our daily needs, working in our homes, taking care of our children, sending their children to school with our children, and mingling on a daily basis with the rest of the population. They are an important and necessary part of any society. It would be prudent then to provide these individuals with healthcare coverage.

The middle class is not without its share of problems either. If one spouse should lose his or her job or a major medical situation arises that requires one spouse to remain at home, the entire family could face a financial crisis. This situation would be even more critical in a single-parent household. As an industrialized society, it is shameful to see so many people suffer on various levels due to inadequate access to appropriate health care. The idea of implementing universal healthcare coverage has been discussed and debated over the last few decades. The last attempt to bring universal health care to Americans was a
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hard-fought yet unsuccessful battle by the Clinton administration (Aaron, 1996).

For our purposes universal health care is defined as a system that will provide a basic level of health care to all people. The author envisions the family physician as the “manager” of health care and referrals are made as warranted. All residents will have access to family physician services, preventative services, specialist services, surgical services, hospitalization, rehabilitative services, long-term care, and prescription medications. As in other nations that have a universal healthcare system, services such as eye care, dental care, and home care could be passed on to the citizen through employment benefits or could be provided by private insurance.

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Background and Significance

The United States is among the wealthiest and most prosperous nations in the world, yet its government is unable, unwilling, or incapable of providing adequate, basic health care to all its citizens (Wealthiest Nations, 2002). The money to support a universal healthcare program is available, and yet the United States remains the only industrialized nation that does not provide health care for its citizens. It may be that American society is not aware of the public health implications that are encountered because of the lack of a universal healthcare system. In addition, some Americans may feel that universal health care is not a role that the government should be involved in. However, Medicare, Medicaid, and other federal programs have been shown to improve health for the citizens who are eligible. Therefore, governmental involvement in health care seems to be effective.

The Universal Healthcare Action Network (UHCAN) states “health care in America is unjust and inefficient, it costs too much, covers too little and excludes too many” (Working for Justice in Healthcare, 2005, p. 1). UHCAN is an organization working diligently to promote universal healthcare coverage in the United States. They have joined forces with several national, state, and local organizations to form the Health Care Access Campaign. This campaign is working diligently to promote universal healthcare coverage for everyone through education, strategy development, and advocacy. UCHAN states “we see healthcare for all as a medical imperative, an economic imperative and a moral imperative (Working for Justice in Healthcare, p. 1). This is one of many organizations that has taken up the cause for universal coverage and with its advocacy will get the American people to see the importance of comprehensive health care.

Decades ago, during the Civil Rights Movement, healthcare was also a major issue. It was Dr. Martin Luther King Jr. who stated “of all the forms of inequalities and injustices, healthcare is the most shocking and inhumane” (Health Care Justice Campaign, 2005, p. 1). Forty years later, his statement still rings true today because so many individuals are uninsured or underinsured in America.

Americans are concerned about the state of our healthcare delivery system. Rising costs for services and prescription medications and access to adequate medical care has left the uninsured patient without the ability to pay for primary health care. Individuals without insurance typically use the emergency departments (ED) as a primary source for their healthcare needs. A study of ED physicians reported that one in three patients were uninsured and one in four children were also uninsured (Anonymous, 2003). The services provided by the ED may or may not solve the medical problem at hand because referral to specialists and
prescriptions given to the patient may not be affordable and the underlying medical problem may go untreated. This is evident by repeat visits to the ED by the same uninsured individuals in a study conducted at a university hospital ED (Chan, Kristhel, Bramwell, & Clark, 1996). The overcrowding of EDs has become a problem, increasing the cost of health care to the population in general, and certain patients do not get appropriate care as the cost of health care escalates.

A report by the National Association of Community Health Centers found that in 2002, there were 110.2 million visits to EDs, up from 89.8 million in 1998, and that during this time many EDs have closed and there were 15% fewer EDs than in 1998 (Anonymous, 2004). It is quite evident from these numbers that if our citizens could get basic health care from other sources, these EDs would not be so overcrowded and decreasing in numbers on a yearly basis. ED physicians are in agreement that uninsured patients have more serious medical problems that worsen because they are not receiving routine health screenings, earlier interventions, or any preventative care and that Americans would benefit immensely if basic health care was afforded to all people (Anonymous, 2003).

The number of uninsured Americans remains grave and continues to grow. According to the U.S. Census Bureau (2004), between 2000 and 2003, the number of Americans without health insurance rose by 1.4 million to 45 million.

Barbosa (2002) stated that one of the things that distinguish health care in the United States from other countries that have a universal healthcare system is the amount of bureaucracy that plagues the system. Health Insurance LawWeekly reported that a study conducted by the Harvard Medical School and Public Citizens Group found that bureaucracy costs in 2003 amounted to $399.4 billion (Health Care Reform, 2004). The study estimated that a national health insurance program could result in savings of $286 billion annually on paperwork alone, which is more than enough to cover all uninsured Americans along with full prescription drug benefits for all Americans (Health Care Reform). As you can clearly see, the monies required for a universal healthcare system are already available. However, our present system of health care is inadequate and too cumbersome to support this process. Therefore, our present healthcare system is in need of a major overhaul.

**Purpose**

The purpose of this paper is to gain a greater understanding of the facts, figures, and support for universal health care for the United States. This literature review will critique five research articles and discuss
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the facts for or against a universal healthcare system and the obstacles facing the implementation of such a system within the United States.

Literature Review

The American Medical Association (AMA) is a powerful professional organization that lobbies greatly on behalf of its members and, hence, can be an important proponent or opponent of any proposed universal healthcare system. Therefore, it is imperative to learn how American doctors feel about the implementation of such a system because their opposition could become a major obstacle.

Ackerman and Carroll (2003) conducted a cross-sectional study to discover whether or not there was adequate support for a national health insurance among U.S. doctors. The researchers randomly selected 3,188 physicians from the AMA physician master file. Each physician was mailed a survey. Of the 3,188 mailed surveys, 338 were undeliverable, and 121 were from nonpracticing physicians. The researchers received 1,650 surveys from 2,729 doctors who were eligible to participate, which equaled a 60% response rate.

The results of the survey found that 49% of doctors supported legislation for national health insurance and 40% opposed it, 26% supported a single payer system run by the federal government but 60% opposed it. Of the 49% who were in support of governmental legislation, 61% supported a single federal payer system. Specialists, such as pediatricians and psychiatrists, were in support while other specialists such as neurosurgeons, urologists, and orthopedists were less supportive. Of the 190 primary care physicians surveyed, 71% were in favor of a single federal payer system compared with 58% of nonprimary care physicians, and 26% supported a system in which the federal government was the sole payer. In conclusion, the consensus among U.S. physicians seems to be a general support for a national health insurance, but less support for a system in which the federal government was the sole payer. This study sheds positive light on physician’s attitudes towards a universal health insurance and their support will be essential to the development of any system within the United States.

In another study, a comparative examination of universal health systems in Germany, France, Canada, and Great Britain showed that there are many lessons to be learned by the United States as reported by Brown (2003). The comparative results he reported yield 10 themes of importance that included coverage, funding, costs, providers, integration, markets, analysis, supply, satisfaction, and leadership. For our purposes, coverage, funding, and cost will be addressed. The author writes that in regards to coverage all four nations provided health coverage to all its citizens. Their respect for human dignity demanded that no person should refrain from seeking medical care due to fear of any perceived real or unreal consequence or financial responsibilities related to doing so. Although all four countries cover all medically necessary care, some services were not covered. For example, in Canada, home health care and drugs are paid for by the individual citizens and in France dental and eye care is covered by supplemental insurance. Even as healthcare costs rise and some systems may seem unaffordable, the basic value of these systems remains intact, and they are solidarity, community, equity, and dignity. It was surmised by Brown that “the moral and cultural foundation of universal coverage are missing in the United States as the continuing presence of 40 million uninsured would seem to intimate” (p. 1).

In regards to funding, in all four countries, government statutes provide the financing of universal coverage. In Canada, the provinces must meet strict conditions for participation in the national and provincial fund sharing, but how they raise their money varies widely. In Great Britain and France, funding comes from general revenues; Germany relies on work-based insurance contributions. Brown (2003) states “none of these approaches is plainly superior to the other and they all work and they all carry their burdens of political and economic stress” (p. 1). The main problem
within the United States is the inability to agree upon a funding source (Brown). The opponents of a universal healthcare system are fierce.

In regards to costs, Brown reports that all four countries spend a smaller share of their national resource on health care compared to the United States and that cost containment is an important aspect of each system. All four countries pay their physicians less and provide fewer specialized services and highly technical service than does the United States. This fact may be one of the reasons why specialists such as neurosurgeons and urologists were less supportive of universal health care as shown in the study conducted by Ackermann and Carroll (2003). Waiting lists for medical services have occurred in Canada and Great Britain, but all four countries have managed to contain cost to a certain degree (Brown, 2003). Increasingly rising cost is a major problem in the United States and the idea that universal coverage will cause costs to go even higher weighs heavily on government and political officials.

The United States rejects publicly set spending limits, and insurance companies, healthcare providers, and other business interests have voiced their opposition to such constraints. The business side of the present system has ardent supporters, who fear loss of stockholder’s profits, exorbitant executive salaries, lobbying efforts, and less wide use of technology (Brown, 2003).

The author addressed satisfaction levels within all four countries. He states that citizens report high satisfaction scores with their healthcare system. In contrast, within the United States, the over 40 million uninsured people and many more underinsured, with inadequate access to health care, seem to be a greater dilemma. Politicians and others continue to debate the issues, but with no great push from the public at large, the system continues as usual. Until there is more display of public dissatisfaction with the present system, the American government has no real incentive to change the way business is done today (Brown, 2003).

In conclusion, this comprehensive study shows that universal health insurance is attainable and does work in a variety of settings with some concessions of course, but in general the citizens of these countries are quite satisfied with their government’s efforts to provide comprehensive health care.

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Another study sought to discover if a universal healthcare system would reduce disparities in health care that are rampant in the United States. The study was conducted in the Canadian province of Nova Scotia, which provides universal coverage to all of its residents. Participants for this study came from the 1990 Nova Scotia Nutrition Survey and these data were correlated with 8 years of administrative health services and mortality data (Veugelers & Yip, 2003).

Within the present U.S. system, the wealthy have access to a wide range of medical services, those below the poverty level may have access to Medicaid, but those barely above the poverty level, low-income and some middle-class individuals and the uninsured, are affected the most. Some individuals do not seek medical care due to the cost. A universal healthcare system would be of great benefit to these individuals.

The participants for this study were placed in three socioeconomic groups. The first group had an income of less than $20,000; the second group had an income of $20,000–40,000; and the third group had
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In conclusion, the researchers did discover that universal coverage improved access to health care for individuals in the lower socioeconomic levels, but their use of services was quite similar to the middle-income individuals except for a disproportionate number of hospital days.

The results of the study showed that individuals with the lowest income used more healthcare services than the other two groups. However, there were only a few percentage points of difference between the low-income and middle-income groups and the high-income group used the least amount of healthcare services. This correlates with what Brown stated and that was that the American government and political officials are afraid that universal coverage will lead to even higher healthcare costs.

In conclusion, the researchers did discover that universal coverage improved access to health care for individuals in the lower socioeconomic levels, but their use of services was quite similar to the middle-income individuals except for a disproportionate number of hospital days. Their overuse of services may be due to other factors that were not studied, for example, educational level, culture, or beliefs about health, illness, and health care. The important issue is access, and that was achieved by the study.

Many issues influence the way that our political leaders make decisions about health care in the United States. Big business, lobby groups, and special interest groups are powerful influences on our political system. So how do political leaders feel about a universal healthcare system for America?

Frisof and Regan (2004) conducted a survey to discover how some state leaders felt about universal health-care insurance. The study consisted of group discussions and one-on-one interviews via conference calls. The aim was to discover state health leaders’ views for healthcare reform both in their own state and what role the federal government might play in the future.

The sample for this study was 26 political leaders who were selected from various political, geographic, and economic backgrounds with varied differences in experience with healthcare reform. Of the 26 participants, all had at least 10 years of experience on the subject of health care, but most had more than 20 years’ experience. Their backgrounds included five state legislators, ten health agency administrators, eight consumer advocates, and three providers. The interviews were conducted between February and May 2004.

The results of the study were organized on a historical basis as past (1988–2000), present (2001–2004), and future developments. The researchers reported that significant progress was made during 1988–2000, as demonstrated by the establishment of the Oregon Health Plan, the Washington Basic Health Plan, Wisconsin Badger Care, and Mass Health as the most prominent progress towards some semblance of universal coverage for people of those states. The researchers found four specific factors that made this era successful, and they were political leadership, funding, the flexibility of federal waivers, and public–private partnership. This observation confirms what Brown reiterated, and that is that the business side of any healthcare policy needs to be addressed to allay fears about government dominance.
According to Frisof and Regan (2004) funding was another important issue. The researchers reported that during this time period money was available so it was easier to convince politicians to act on new legislation. Today, with large deficits, increased spending internationally, and an administration that favors big business, now may not be the ideal time to fight for universal coverage for all Americans.

The study results showed for the time period 2001–2004, the respondents reported greater funding problems. Healthcare spending had increased at a speed greater than inflation, some state budgets were reduced, and the federal tax cuts of 2001, 2002, and 2003 had a negative effect on money available in the federal till. During this time, most state leaders just tried to hold on to whatever gains they had made during the previous years (Frisof & Regan, 2004). As more money is needed for foreign policy and homeland security, less and less money is available for programs like universal healthcare insurance that would be of benefit to the American people. Frisof and Regan state, “compared with a decade ago, it is not just that there is less funding because of economic downturns, but there is less potential to fund raising because of ideological shifts” (p. 6).

Although a majority of physicians support some form of universal health insurance, the researchers felt that many state medical associations were more concerned about fighting for lower malpractice insurance rates (Frisof & Regan, 2004). It is easily seen that certain segments of our society view other issues as being more important. As reported by the researchers, even the Food and Drug Administration is involved: they have blocked the reduction of drug prices and are against the importation of cheaper drugs from Canada (Frisof & Regan).

In conclusion, although the support for a universal healthcare system by political, health, and state leaders is evident, their hands are tied when the national deficit remains extremely high and available funds are being utilized for more pressing programs such as the armed forces, homeland security, and national and international terrorism. The road to universal coverage is a difficult one to travel when it is paved with obstacles from various levels: government, public, and private entities. The opposition is stiff, and until the American people take this issue into their own hands and force politicians whom they have elected to do something, business as usual will remain the same with no help in sight for the millions of uninsured and underinsured Americans.

The cost of administration of a universal healthcare system in the United States is a major concern as echoed by Brown, Frisof, and Regan in their research and now by Woolhandler and associates. In 1999, they conducted a research study to assess healthcare administration costs in the United States and Canada. The researchers sought to compare administrative costs in several categories such as insurance overhead, employer’s cost to manage healthcare benefits, hospital administrative costs of practitioners, nursing home administration, and administrative costs of home care (Woolhandler, Campbell, & Himmelstein, 2003).

The results showed that in 1999, U.S. private insurance companies retained $46.9 billion of $401.2 billion collected in premiums. Their average overhead expenditures of 11.7% greatly exceeded Medicare at 3.6% and Medicaid at 6.8%. Overall, private and public insurance overhead was 5.9% of the total healthcare expenses in the United States or $259 per capita. Comparatively, the overhead cost of Canadian’s provincial insurance plans was $311 million or 1.3% of the $23.5 billion spent for hospital and physician care and the overall insurance overhead was 1.9% of the Canadian healthcare spending or $47 per capita (Woolhandler et al., 2003).

The researchers reported that in regards to hospital administration, the average U.S. hospital spent 24.3% on administration, and those costs totaled $87.6 billion or $315 per capita for the United States and $3.1 billion or $103 per capita for Canada. The final numbers for total healthcare cost for administration were $294.3 billion or $1,059 per capita for the United States and $9.4 billion or $301 per capita for Canada. After certain
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exclusions, cost of administration amounted to 31% for the United States and 16.7% for Canada (Woolhandler et al., 2003).

The researchers have wondered if high administration costs improve healthcare delivery in any way, but stated that no research had been done.

The researchers concluded that a single payer system would cost less to manage than a multiple insurer system. This is confirmed by the sheer numbers of insurance providers for which physicians and hospitals must contact to obtain approvals for care, to verify eligibility, co-payments, and obtain referral services. In comparison, Canadian healthcare providers send basically all their bills to a single insurer (Woolhandler et al., 2003). The savings in time and resources alone are significant to the bottom line.

At this point in time when cost is a major obstacle to the implementation of a universal healthcare system in the United States, maybe it is time for us to take a closer look at how a single payer system could save billions, which in turn could be used to implement and maintain such a system. The American people have survived several policy changes, and I have no doubt that they can and will survive another major change in policy that could lead to comprehensive health care for all.

Conclusion

There is no doubt that more research is necessary. Another study with a larger sample of physicians might supply more reliable data. A study of health insurance providers could supply important information about their concerns, and as frontline caregivers it is imperative to discover the nurse’s perspective and support for universal health care. It is also important to know which senators and representatives support universal health care and hold them accountable for implementation of a system that affords health care to all people. As government officials they are afforded an exceptional healthcare plan, and it is only fair that the same be afforded to each and every citizen.

The implications for nursing and healthcare providers are that nurses and physicians are faced with more patients needing primary care and sicker patients in emergency departments, leaving fewer resources for patients who may actually need emergent care. Some emergency departments have closed due to increased costs and low reimbursement. The extremely high liability insurance rates have forced some physicians, especially specialists, out of practice, leaving many communities underserved. The health of the nation is at stake when citizens do not receive primary care, routine health screenings, and preventative care, and this may lead to a resurgence of diseases such as tuberculosis. It is imperative that healthcare providers continue the fight for a more just system of health care that provides health care to all people. Americans deserve a universal healthcare system.
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References


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