



Guide for a Public Issues Gathering

IP-49

Rethinking Our Choices On Health Care Reform

Prepared by: *University of Kentucky • Extension Task Force on Health and Safety**

Introduction

Most of us agree on what's wrong with our health care system: spiraling costs, millions without insurance or millions more with inadequate coverage, a growing fear that the health care system will not be there when we need it, and the realization that despite the highest expenditures in the world and leading-edge medical technologies we still rank below most other industrialized nations on many leading indicators of health.

Despite this agreement, there is considerable debate over how to fix our health care system. Each time a proposal for health care reform is presented, the arguments begin: who will pay, how much, and for what level of care? The technical questions of how to re-organize health care and how to pay for it are interesting, but they will only lead to a tinkering with the system. What we need is to ask questions that reveal our underlying assumptions and expectations about health care.

What questions do we need to ask? The most important one is: What do we really expect from our health care system? Do we expect our health care system to keep us healthy or to help us restore our health if we become ill or injured? Should our health care system prolong life as long as possible and/or ease our dying? Should everyone be guaranteed at least some level of health care even if this means that some people will not receive all the care possible?

Our basic values and beliefs about health, life, death, and dying are reflected in how we answer these questions. And our values, beliefs, and answers to these questions influence which proposal for health care reform we prefer. We will

choose the reform proposal that comes closest to meeting what we expect our health care system to do and the one that most reflects our values and beliefs.

What follows are three possible alternatives for health care reform. These choices reflect the diverse reform proposals that have been offered by states, members of Congress, and the President. Each of the three choices provides a different answer to what we expect from our health care system. A fourth choice may emerge from the discussion. Our purpose is to try to find the common ground that will be the basis for health care reform.

Choice 1

Universal Access to Health Care

This choice calls for a health care system in which all persons — regardless of income, job or family status, age, or health condition — have access to a basic package of health care and services as a basic American right. Some types of care, such as very costly and experimental procedures (e.g., organ transplants), elective reconstructive surgeries, or intrusive medical procedures for the terminally ill (other than hospice care, counseling, and medication for pain relief) may be limited. Everyone would have access to the preventive health care that is the basis for establishing and maintaining a healthy life (e.g., immunizations, well-baby care, prenatal care). Everyone would have access to medical care for acute and emergency conditions (e.g., broken bones, surgery for acute illnesses or injuries).

After this basic package of health services, social funding for other types of health care will depend on the funds still available for health care. This choice may mean a national system of health care, like that in Canada, Britain, or Sweden, where the government finances health care for all citizens. Or, it may mean requiring all employers to provide health insurance for their workers and expanding the Medicare and Medicaid system to cover all other persons. The critical point is that everyone would be able to receive some level of health care service.

What the advocates say:

- Health care is a basic human right, one that underlies all other rights, because if individuals do not have good health, they do not have the opportunity to exercise their rights to life, liberty, or the pursuit of happiness.
- Human life is sacred and worth any price. The current health system shows no respect for the moral right to health care because care is rationed simply on the basis of an individual's or family's income and job status. In our current system, some people receive the highest quality of health care while others receive inadequate or no health care at all. Universal access is the only way to prove our society's commitment to equality of opportunity and respect for human life.
- Any health care system that does not guarantee the right to health care is morally bankrupt. No level or quality of care, regardless of its cost, should be denied to any American. Even if the result of universal access is increased taxes, assuring everyone access to a given level of health care is a moral imperative.

What the opponents say:

- There is no such thing as a guaranteed right to health care or good health. Our basic American rights have already been clearly defined in our founding documents. Human life is sacred, but this does not mean that society must do everything to protect life. This is like saying that we should guarantee everyone food, shelter, clothing, and a car because these are just as necessary to preserve life. Our society simply cannot afford the cost of providing health care to everyone.
- Claiming health care is a basic right requiring unqualified social support would bankrupt the nation. While this choice might be praiseworthy, it is not practical. Our national resources are limited, and spending priorities must be established that allow us to achieve other equally desired goals, such as quality education or police and fire protection.

- Universal access seems to imply equal access to all health care that might be available. But if we look to other countries that have attempted to do this with a single-payer national health care system, we see that controls on utilization and costs built into the system may lead to the rationing of care. People may have to wait for elective surgery or may not be able to see a doctor when they want to, and some types of health services may simply not be covered by the program.

This choice, then, balances a desire for universal access to health care against a concern for how such a plan would affect the economic health of our society. This choice asks us to decide: Is it economically possible for society to provide equal access to equal quality health care for all? Are we willing to trade off the highest quality health care for those who can afford it in order to guarantee everyone access to health care? Is it morally acceptable to not provide health care to all, to let people be sick or die just because they don't have the money to pay for health care? Will we have to trade off our individual right to make decisions about the kind of health care we receive and from whom we receive this care so as to assure that everyone has some level of care?

Discussion Questions:

1. What advantages do proponents see in this choice?
2. What disadvantages do opponents see in this choice?
3. What would proponents and opponents say are the responsibilities that individuals should bear for their health? Does society have any responsibilities for the health of its citizens?
4. Who would most benefit if this were the choice for health care reform? Who would lose the most with this choice?

Choice 2

Regulating the Health Care Free Market

This alternative sees health care as a private good in a free market and health insurance coverage as a choice that individuals make. However, this option recognizes that the markets for some goods, such as utilities, should be regulated because the goods or services provided are critical to the functioning of other markets. The regulations assure high performance standards and the certification of workers while controlling the level of profit on these important goods and services.

Regulating both the supply and demand for health care more effectively would result in lowered costs and higher quality health services. Tax incentives to companies that control costs through greater efficiency in the delivery of health services or simply setting caps on profits or income are ways to regulate the supply side of health care.

On the demand side, charging more for certain health services, shifting the costs of health care onto those consumers who engage in unhealthy behaviors, educating consumers on more cost-effective health care choices, charging a deductible, or increasing the costs of health care as use rises are ways to regulate the demand for health care. This choice may occur through reforms in the health insurance industry and through price controls on the costs of health care services.

What the advocates say:

- Health care is a business that operates in a competitive market that responds to consumer demand. Consumers demand more specialists, more choice in services, more choice in the health insurance that meets our needs, more ways to enhance longevity, and more ways to improve the quality of life. Consumers have the choice to buy health care or health insurance if they are willing to spend their consumer dollars for these goods and services.
- In a free-market system, the price of goods and services is based on several factors: the costs of developing a product or service, the supply, and the level of demand. Those who see an unmet market demand have the opportunity to develop a product or service to meet that need and to profit from their ingenuity. Not everyone can afford an expensive sports car, but we don't expect this in a free market.
- Some regulation is necessary. On the demand side, health insurance insulates consumers from the full costs of their choices. Because they do not pay all the costs associated with their choices, consumers may act irresponsibly or demand higher-priced health services when a lower-cost service is an acceptable substitute. On the supply side, local and state monopolies often exist. We must encourage investments in providing and improving the quality of health services, but when monopolies occur, we must determine what constitutes an acceptable rate of return.

What the opponents say:

- A free market is ideal only if you can afford the price of choice. But with health care, if you can't afford the costs of services, the outcome may be disability or death. This is the situation that

more than 37 million Americans confront every day; they simply don't have the money to express their health care choices. Moreover, the health care free market actually reduces citizens' choices in other areas of life. More than half of all Americans are afraid to change jobs or to start their own businesses because they may lose their insurance or not be able to afford to buy it.

- The free market in health care has encouraged the development of medical technologies without regard to the cost-effectiveness — or the moral consequences — of these technologies. Millions have been invested in the development of technologies to extend life without regard for the quality of that life or the ethics of prolonging life just because we can do it. This has diverted health care spending from services (e.g., immunizations) that benefit many to services (e.g., fertility enhancement) that benefit a few.
- A free market in health care is morally unacceptable. How do you price good health? The idea of selling health care and good health to the highest bidder and letting everyone else get by as best they can violates basic American principles of equality and fairness.

Thus, this choice introduces regulations and price controls to balance the advantages of the free market in health care with a concern for those who do not have the money to participate in this free market. This choice asks us: Should we regulate the health care industry? Will price controls reduce the incentives for researchers to continue investing in new and more effective approaches to health care? Do we have too much medical technology and not enough health care? Can incentives encourage consumers to make better health care choices? Is it morally acceptable to tell millions of Americans that if they cannot afford health care, this is the way the market works?

Discussion Questions:

1. What advantages do proponents see in this choice?
2. What disadvantages do opponents see in this choice?
3. What would proponents and opponents say are the responsibilities that individuals should bear for their health? Does society have any responsibilities for the health of its citizens?
4. Do the values behind this choice differ from those behind Choice #1?
5. Who would most benefit if this were the choice for health care reform? Who would lose the most with this choice?

Choice 3

Increased Health Care Access Through Managed Competition

This choice assures a basic package of health care for all persons by more efficiently managing the competition among health insurance companies and health providers. Everyone would have access to a basic package of health services at a set price, but anything beyond this would be the financial responsibility of individuals and families.

Private insurance companies would remain the key to financing the costs of health care. All insurance companies would offer the same basic package of health care coverage but may put together different supplementary insurance coverage packages at different prices.

Access to health care services beyond the basic plan would be available to those who can or are willing to pay for it. Health care providers would be encouraged to join managed care plans which are more cost effective in managing utilization.

This choice, then, involves helping individuals and families cover the costs of the basic plan through tax rebates, setting cost controls on the price of the basic plan, or employers' offering health insurance as a standard benefit. Utilization of health services would become more cost efficient through a greater reliance on managed care health plans.

What the advocates say:

- Health care is not a human right, but a social good. A social good is something that society invests in (e.g., roads, sewer and water lines, police and fire protection) so as to improve the overall standard of living in society. The question is not how much health care is in the best interest of the individual, but how much of what kinds of health care should be provided for the best interest of society.
- Social goods require substantial investments of public funds, and no society can afford to provide unlimited access to all social goods. The health care pie that society provides is not limitless. It can only be so big and sliced in only so many ways. Therefore, we must balance two things: the costs of investments in different social goods against the returns to society from giving citizens access to a particular level or quality of these social goods.
- The spiraling growth in health costs is from inappropriate use of health services by consumers and physicians. Too many people rely on

emergency rooms for basic care and too many demand health services that are not necessary or that are inappropriate for their problem. Traditional fee-for-service care does not encourage a consideration of the cost-effectiveness of procedures. We need a system of health care that is cost effective and encourages the appropriate use of health services. This approach is the wisest way to invest national resources.

What the opponents say:

- Unequal access to health care will persist because those who can afford to buy additional health services will do so, while those who cannot will be denied access to the best and newest treatments. Thus, this choice does not really address the underlying problem of inequality in access to health care in America.
- Who will decide, using what criteria, the kinds of "basic" and "preventive" health services to be provided as a social good? How effective or how inexpensive does a treatment have to be for inclusion on the list? How many lives must be saved, how many lives qualitatively improved to warrant public funding? What criteria, other than cost, will be used to rank approved treatments? Will this be the first step down a path of more active measures to hold down health costs by denying more types of medical treatments to the critically or terminally ill because they cost too much? Even the most knowledgeable physicians disagree on the effectiveness of various treatments, while their estimates for survival are often wrong. How then, can a just and humane society justify a plan to manage health care on such uncertain criteria?
- This choice will limit physicians' rights to choose the health care they feel is most appropriate for their patients. Moreover, this choice means more government, not less. Health care costs are pushed up by excessive government regulations and paper-work requirements, and this approach will do little to eliminate this cost.

This choice contrasts the desire to provide some basic level of health care for all Americans with the recognition that society cannot afford to provide unlimited access to all health services for all people. Managing health care ensures that the best interests of society, not simply an individual's buying power, determine who gets what type of health care.

This choice asks us: Does society owe everyone a basic level of health care? Can we afford to pay for a basic level of health care for everyone while still providing other necessary social goods?

Do we know enough to determine the most cost-effective methods of health care? Does society have the right to manage a physician's decisions about what is in the best interest of his or her patient?

Discussion Questions

1. What advantages do proponents see in this choice?
2. What disadvantages do opponents see in this choice?
3. What would proponents and opponents say are the responsibilities that individuals should bear

for their health? Does society have any responsibilities for the health of its citizens?

4. Do the values behind this choice differ from those behind Choice #1? Choice #2?
5. Who would most benefit if this were the choice for health care reform? Who would lose the most with this choice?
6. Is there another choice, one that we should consider? If yes, can we describe this alternative and evaluate it using these same questions?

Conclusions

Each of these health care reform choices suggest a different answer to the question: What should we expect from our health care system? The first choice sees health care and good health as a fundamental human right and seeks a health care system that provides universal access to health care, regardless of the cost. The second choice sees health care as a private market good that should be regulated only to maximize individuals' choices. It seeks to regulate the demand for and the supply of health care while maintaining the advantages of a market-based health system. The third choice sees health care and good health as a social good and manages the cost and use of health care in order to provide a package of basic and preventive care for everyone, without risking our ability to provide a host of other essential social goods.

All the reform plans proposed in Congress include the values underlying each of these three choices. Is it possible to develop a reform package that could satisfy all three expectations at the same time? Is there another choice, based on a different expectation for health care in America that balances the goals and moral commitments underlying these choices? Is it possible to create a health care system that satisfies our needs and wants as both individuals and as a nation? If we can answer

these questions, then we will be able to design a reform package that satisfies the interests and beliefs of most Americans. But if we ignore these questions because they are difficult, then whatever comes out of the debate about health care reform will not likely satisfy anyone.

Final Discussion Questions

1. Can we come up with four or five statements about health care reform that we can all live with?
2. Can we make a choice among these alternatives for health care reform? If we don't make a choice, what are the consequences?
3. Can we live with the consequences? Can our children?
4. If we had been a jury who had not come to a decision, could we summarize for the judge what we talked about and how we deliberated?
5. What would we like to tell our policy-makers about health care reform?
6. Have we recognized the values that drive our choices? Our opponents' choices?
7. Are we able to make a case for the positions we dislike as well as the ones we like?
8. Have we found a common ground in a particular choice?
9. What can we do to act on that common ground? How do we inform policy-makers about our preferences?

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