



Principles of Universal Health Care Systems

OPHA ANNUAL CONFERENCE

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The Paradox: Better Care to More People for Less Money

- ▶ The US Health Care system is twice as expensive as universal health care systems around the world
- ▶ Yet millions lack insurance and millions with insurance forgo medical care or suffer from medical debt
- ▶ Our public health outcomes are comparatively worse than countries with universal care systems
- ▶ How do countries with universal care systems manage to provide better care to more people for less money

How Do they do it?

The three principles of universal health systems

- ▶ Universal health systems are universal!!!
- ▶ One single comprehensive system of benefits for everyone
- ▶ Financing: not for profit and limited cost sharing at point of care

Source: Reid, T.R (2009) *The Healing of America: A Global Quest for better, cheaper and fairer health care*. New York, NY: Penguin Press.

The First Principle: Universality

- ▶ 100% of residents are guaranteed access to health care services
- ▶ No one is turned away based on inability to pay or driven into debt from medical bills
- ▶ Key point: access to comprehensive health care services is a human right and ensuring this right is the responsibility of the government

The Second Principle: One Single System of Benefits

- ▶ Political: Ensures that both rich and poor have a vested interest in the success of the system
- ▶ Reduces costs:
 - ▶ Price: price negotiation: providers and pharmaceuticals
 - ▶ Administration: one system allows efficient billing collection and eliminates administration/time in moving patients from one risk pool to another
 - ▶ Prevention: everybody is in the same system, they can't be moved to a different risk pool.

The Third Principle: Financing is not-for-profit and no/low cost sharing

- ▶ No incentive (and wasted time and administration) to accept healthy patients and shift the cost/care of sick patients to other programs
- ▶ The focus is on customer service and efficiency instead of avoiding paying for the sick in pursuit of profit.
- ▶ Low cost sharing avoids the delay of care and decreases health disparities