



Single Payer Healthcare Vs. Free Market Insurance The Debate Continues

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Following the Bernie Sanders and Ted Cruz healthcare debate on CNN, many Americans are paying close attention to the debate between the virtues of a single-payer healthcare system, such as the system in place in Canada, and a free market system, which is an ideal espoused by free-market libertarians and some conservative Republicans. The Affordable Care Act is an example of a hybrid system in which private insurance companies are regulated intensively by the government in an effort to expand healthcare coverage to as many people as possible and enforce coverage mandates for all those who do have insurance.

According to the *Washington Examiner*, Republicans are now focused on repealing and replacing the Affordable Care Act with a healthcare plan that takes away some of the control over healthcare currently in the hands of the federal government and places it back in the hands of the free market. The argument for this is that free market innovations will lead to better healthcare coverage.

There are two general types of approaches to healthcare being pushed by Republicans and others on the right and two basic approaches pushed by Democrats and others on the left. On the right, there are Republicans promoting plans that aim to give tax deductions to people for purchasing their own health insurance and others who aim to provide tax credits. Both views favor deregulation of the health insurance to different degrees. The difference in the two approaches is that tax credits mean increased government spending as money will be given to people to help them purchase their own insurance. Such a system has been promoted by Donald Trump's Health and Human Services secretary, Tom Price. The approach pushing instead for tax deductions allows people to deduct the amount they spend on private insurance from their taxes and ignores that some people don't make enough to deduct anything from their taxes.

The argument between the two right-wing approaches pivots around whether the goal in approaching healthcare should revolve around chasing coverage targets, the number of people actually covered by health insurance, or whether the overall cost to the government is more important. According to the *Washington Examiner*, mainstream Republicans like Senator Susan Collins favor tax credits and high-risk pools to ensure that people receiving healthcare coverage under the Affordable Care Act will continue to be covered and not face losing their insurance coverage due to deregulation once the Affordable Care Act is repealed.

Such a hybrid approach is rejected by people like Michael Cannon of the Cato Institute, a libertarian think tank, and endorsed in part by Republicans like Senator Jeff Flake of Arizona. They would like to see almost full deregulation of the healthcare industry, allowing the free market to decide who is or is not covered and how they are covered.

On the left, most mainstream Democrats want to expand and improve upon the Affordable Care Act, increasing regulations to the healthcare through progressive reforms in an effort to achieve the goal of universal coverage, expanding federal spending as needed to cover people unable to buy private insurance. Further to the left, there are advocates of a single-payer approach, such as Vermont Senator Bernie Sanders, who would like to see Medicare expanded to cover all Americans, according to *Patch*.

In many ways, the debate over healthcare comes down to priorities. Bernie Sanders and others who want single-payer healthcare prioritize all Americans having coverage. The free market approach is focused on increasing access to healthcare and improving the quality of healthcare for those who can afford it with less concern over whether any given individual can access that coverage. They see a single-payer approach as dangerous because, according to this view, government control is bound to reduce quality of healthcare. Those pushing for a free market approach often stress that the free market will assist in expanding coverage by increasing competition between insurers who will be free to innovate when left unencumbered by the burdens of government regulation. One argument against that view is that it seems like a major leap of faith is necessary to arrive at such a conclusion.

The Affordable Care Act and a likely Republican replacement, should we get one, represent hybrid systems in which the government to varying degrees allows the free market to control healthcare coverage for Americans. It seems unlikely that, at least for the foreseeable future, we will get single-payer healthcare or a completely free-market system of healthcare. The question remains whether the hybrid system we get will be superior to either of the two extremes.