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Lessons of the VA Scandal

Lengthy wait times, bureaucratic abuse, rationed care: par for the course in government-run health care.

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If our government has any obligation to fulfill its many promises on health care, it should be first and foremost to the men and women who served in our armed forces. But the scandal over hidden waiting lists at a growing number of veterans' hospitals (seven so far) — wherein dozens of veterans died while waiting months for vital treatment, and the VA covered up the lengthy wait times — should make everyone wonder whether we can place our trust in a government-managed health-care system. The *Dayton Daily News* reported on Sunday that its investigation of a database of claims paid by the Department of Veterans Affairs shows that the words “delay in treatment” were used 167 times. The VA paid out a total of \$36.4 million to settle the claims. There could well be many more cases of “death by delay” at the VA that never came to light.

Are there lessons in the VA scandal for the rest of us if Obamacare survives and even expands?

You betcha. The first lesson is that as government expands taxpayer subsidies for health care, the demand will always outstrip supply. [Here](#) is President Obama in a speech to disabled veterans in August 2013:

The last time I was with you, I pledged to cut the backlog, slash those wait times, deliver your benefits sooner. And I'm going to be honest with you; it has not moved as fast as I wanted. Part of it is all these new veterans in the system who came in — Agent Orange, PTSD. It means a lot more claims, and despite additional resources, it's resulted in longer waits. And that's been unacceptable — unacceptable to me, unacceptable to [Department of Veterans Affairs] Secretary [Eric] Shinseki.

A few weeks later, President Obama had to admit that he found the fiasco of the HealthCare.gov website also “unacceptable.” Last week, his aides told reporters he was “madder than hell” over the veteran waiting-list scandal.

There's a lot to be mad about at the Department of Veterans Affairs. Michael Tanner of the Cato Institute [notes](#) that more than 344,000 claims for veterans' care are backed up and waiting to be processed. It takes an average of 160 days for a veteran to be approved for health benefits, and the VA itself estimates that it has an error rate of at least 9 percent in processing claims. According to VA figures for 2012, as [reported](#) by the *Washington Post*, “a veteran who takes an

appeal through all available administrative steps faces an average wait of 1,598 days.” That’s more than *four years* of waiting.

Obamacare will dramatically expand access to the health-care system at the same time that many surveys show doctors are likely to retire or cut back their hours. It is almost inevitable that we’ll see more waiting-list scandals as the need to ration care grows.

This is the record of many single-payer health-care systems, and both Obama and the Senate majority leader, Harry Reid, have said that establishing a single-payer system is their long-term goal. In 2003, Obama, then an Illinois state senator, [told](#) an AFL-CIO conference: “I happen to be a proponent of a single-payer universal health-care program. . . . But as all of you know, we may not get there immediately.” Similarly, Majority Leader Reid [told](#) a PBS interview show in Nevada, in October 2013: “What we’ve done with Obamacare is have a step in the right direction, but we’re far from having something that’s going to work forever.” When he was asked by a panelist whether he meant that ultimately the country would need a health-care system that abandoned insurance as the means of accessing it, Reid said: “Yes, yes. Absolutely yes.”

But, if the experience of other countries is any guide, a single-payer health-care plan or even government-managed care brings all kinds of waiting lists with it. In 2012, it was discovered that more than 7,000 patients in just a few Scottish hospitals had been wrongly removed from waiting lists for surgery in order to pretend to meet government targets for treatment. One trick was offering to perform surgery on a date when hospital officials knew a patient would be away on holiday, then dropping the patient from the wait list for “refusing” the date.

Sarah Boyack, a member of the Scottish Parliament, called the figure of 7,000 “astonishing,” given that “an extra five million pounds [\$8 million] has been pumped into the NHS [National Health Service] to help cut the waiting list” in the affected hospitals.

Not that NHS patients in hospitals without waiting-list scandals are that much better off. In all of the United Kingdom, NHS patients wait an average of about eight weeks for treatments that require admission to a hospital, four weeks for out-patient treatments, and two weeks for diagnostic tests. While NHS patients have a choice of hospitals, they cannot always choose their specialist.

The situation in Canada, a nation whose government-run health-care system has long been touted by liberal supporters of government in health care, is also dire. Last year, the respected Fraser Institute [published](#) a study on Canadian wait times for surgery. Among its findings are these:

In 2013, those requiring orthopaedic surgery were forced to endure waits of more than nine months (39.6 weeks) to receive treatment, while others had to wait for slightly more than four months (17.4 weeks) just to receive an appointment with a neurosurgeon. On the other hand, cancer patients in line for radiation therapy faced the shortest expected wait times for treatment after referral by a general practitioner (3.5 weeks).

Currently, one in 34 Canadians may be in pain, off work, or suffering from depression as they wait their turn for treatment.

The 2013 median waiting time of 18.2 weeks is about three days longer than 2012, and substantially longer than 1993 when it was just 9.3 weeks.

Bacchus Barua, the Fraser Institute's senior health-policy analyst and the report's lead author, writes: "Simply putting someone on a list is not the same as providing necessary medical attention in a timely manner."

The veterans' hospital scandals now in the news in the United States show just how bad things can get when the pressure of patient demand and waiting lists affects bureaucratic behavior. As many as 40 veterans reportedly died at a Phoenix veterans' facility because they couldn't get the care they needed. VA administrators there and at other hospitals apparently covered it up by establishing secret waiting lists and falsifying reports.

No one is suggesting that such scandals are widespread in the general health-care system. But they should serve as a warning sign of what could happen as the pressure to ration, inherent in all government-managed health care, is applied to the general population.