

Daily Policy Digest

Health Issues

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REFORM MUST EMPOWER THE CONSUMERS

As Congress moves forward with proposals for reforming the U.S. health care system, it is possible to draw some important lessons from the experience of other countries, says Michael Tanner, a senior fellow with the Cato Institute.

Universal health insurance does not mean universal access to health care:

- Those countries that have single-payer systems or systems heavily weighted toward government control are the most likely to face waiting lists, rationing, restrictions on the choice of physician and other barriers to care.
- Those countries with national health care systems that work better, such as France, the Netherlands and Switzerland, eschew centralized government control and incorporate market mechanisms such as competition, cost-consciousness, market prices and consumer choice.

Rising health care spending is not a uniquely American phenomenon:

- While other countries spend considerably less than the United States on health care both as a percentage of the gross domestic product and per capita, it is often because they begin with a lower base of expenditures.
- But their costs are still rising, leading to budget deficits, tax increases and/or benefit cuts.
- Yet, many in Congress think that if we simply expand coverage, cost control will take care of itself.

Finally, the broad and growing trend in countries with national health care systems is to move away from centralized government control and to introduce more market-oriented features. There's even evidence of a growing shift from public to private provision of health care.

If there is a lesson that U.S. policymakers can take from national health care systems around the world, it is not to follow the road to government-run national health care, but to increase consumer incentives and control. The United States can increase coverage and access to care, improve quality and control costs without importing the problems of national health care, says Tanner.

Source: Michael Tanner, "Tanner: Reform Must Empower the Consumers," Roll Call, June 8, 2009.

For text:

http://www.rollcall.com/features/Mission-Ahead_Health-Care/ma_healthcare/35541-1.html

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http://www.ncpa.org/sub/dpd/index.php?Article_Category=16