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The Government's COVID-19 Failures Are an Argument against Medicare for All

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No one should want to nationalize the health-care system after this pandemic.

Some have said the failure of America's medical system to handle the surge in demand caused by COVID-19 is proof that the country needs Medicare for All. They couldn't be more wrong.

Many countries with nationalized, single-payer schemes, including England, France, Italy, and Spain, have seen their health-care systems stretched past the breaking point by the pandemic. More importantly, the responsibility for America's lack of preparedness lies squarely with our dysfunctional government. The real lesson to be learned from our botched response to COVID-19 is that giving the government control of the entire health-care system would be an enormous mistake.

No system that is sensibly designed to meet our normal needs for goods and services can respond instantly to a massive surge in demand. That's why stores ran out of toilet paper, bottled water, face masks, antibacterial wipes, and other items when panicked shoppers went on buying sprees after the pandemic first hit. To increase production, manufacturers must acquire additional supplies, hire more workers, add shifts, expand facilities, make shipping arrangements, and so forth. Because doing these things takes time, in the short run supply is fixed.

The health-care system also faces short-term supply constraints. It takes years to produce the thousands of new doctors, nurses, pharmacists, and EMTs that are needed when a crisis hits. It takes time to make more hospital beds, ventilators, ambulances, and personal protective equipment too. That we ran short of these resources when the coronavirus reached our shores is not a sign of a poorly run system, but of one governed by basic economic imperatives: Health-care businesses sensibly kept only enough resources on hand to deal with expected demand, because maintaining excess capacity was not worth the expense.

The pandemic caused demand to skyrocket past expected levels, so, as typically happens with mass disasters, we've faced shortages. Some can be eased by importing goods and workers from

outside the affected region — think of New York, which is now asking for help from doctors in other states. But others can only be addressed by ramping up production, which can take weeks, months, or even years.

Since markets discourage businesses from maintaining too much excess capacity, how should we prepare for catastrophes like COVID-19? The usual answer is that government must do the heavy lifting. Unfortunately, the government's record of preparing for disasters is poor.

The response to the COVID-19 crisis is a case study in governmental ineptness. In 2006, the federal government estimated that 70,000 ventilator machines would be needed in a moderate influenza epidemic. Instead of going with a large, established device maker, in 2010 HHS hired Newport Medical Instruments, a small one, to build a fleet of inexpensive portable devices. Before production started, however, NMI was purchased by Covidien, a larger device maker. Eventually, Covidien backed out of the contract, no ventilators were delivered, and the government enlisted a new vendor in 2019. The government also allowed a contract dispute to interfere with the maintenance of the ventilators it already had. Consequently, when COVID-19 hit, the federal supply of ventilators was far too small and thousands of the machines the government did have didn't work. Fourteen years after the call for ventilators went out, the federal government is just starting to fill the need.

What about drugs? Scientists are now studying whether Remdesivir may be effective in fighting SARS-CoV-2, the virus that causes COVID-19. Remdesivir was developed six years ago to combat various viruses, including dengue fever, the West Nile virus, Zika, MERS, SARS, and Ebola. But it was never approved for use — apparently because Gilead Sciences (the patent holder) saw too little financial gain to warrant the cost of the FDA's approval process. The result is that we are effectively starting from scratch in the search for a COVID-19 treatment.

The federal government also botched the process for creating and administering coronavirus tests. Because SARS-CoV-2 is a new variant, a new test was needed to track its spread. German researchers developed one in mid-January, but the CDC decided not to use it, instead pressing ahead with the development of a separate test. When that test was released in late January, it proved faulty, and the FDA prevented private laboratories from developing tests of their own. The CDC also distributed its few test kits equally to labs across the country, without regard to the size of local populations. The result was a dramatic shortage of valid tests in populous areas, which created the false impression that the number of cases in the U.S. was low. In early March, facilities in the U.S. had administered 3,099 tests. By comparison, South Korea, a much smaller country whose epidemic started the same day as ours, had administered more than 188,000.

Even after the government-created bottleneck was broken, testing in the U.S. was still stymied by shortages of swabs, transport media, and reagents that are used to wash genetic material out of swabs for examination. Evidently, none of these items were stockpiled in sufficient quantities. Items needed to protect testers and health-care providers, such as N95 face masks, were also in short supply.

The federal government's Strategic National Stockpile is supposed to include such personal protective equipment, as well as antibiotics, vaccines, ventilators, and other supplies needed to

deal with a pandemic. Since its creation in 1999, the SNS has proven its value in responding to Hurricane Katrina and the 2009 H1N1 swine-flu pandemic, among other disasters. But SNS stockpiles were depleted during the Obama presidency, and hadn't been replenished by the time the current crisis began. Originally, the SNS got caught up in the fight between congressional Republicans and President Obama over spending, with neither side willing to bend enough to ensure that it was fully replenished. After that, Obama wasn't willing to expend the political capital necessary to fix the problem, and President Trump hasn't been willing to do so either.

The U.S. spends almost $1 trillion a year on national defense, but it handles our security so poorly that a virus born in a provincial city in China has killed thousands of us, sickened hundreds of thousands more, and sent us into economic freefall in barely a month. With a record like that, no one should want the government to have more responsibility for the health-care system than it already does. Medicare For All won't help the country in ordinary times or in emergencies — it will only make things worse.

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