

# Why the US Has No National Health Insurance

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# US Health Policy Exceptionalism

- The only country that does not guarantee universal coverage – 47 million uninsured
- The only country where you cannot obtain coverage for the health problem you are most likely to have
- The only country where you can lose your health insurance if you lose your job
- The only country where the government insures only the elderly and the poor

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# How the AMA helped defeat the Truman plan in the 1940s

- Launched a “National Education Campaign
- Organized county medical societies into an anti-reform political machine
- Worked to defeat politicians who supported national health insurance



# The AMA manifesto

- Wherever some form of dictatorship prevails in government, there we also find some manifestation of socialized medicine. The brand name of dictatorship makes no difference -- Communism, Fascism, Nazism, Socialism -- all are alike in that they enforce a system of State Medicine

# Allies Against Health Care Reform

- National Association of Manufacturers
- Chamber of Commerce
- Large insurance companies
- Republicans and southern Democrats
- Splintered labor movement

# How Medicare Was Won

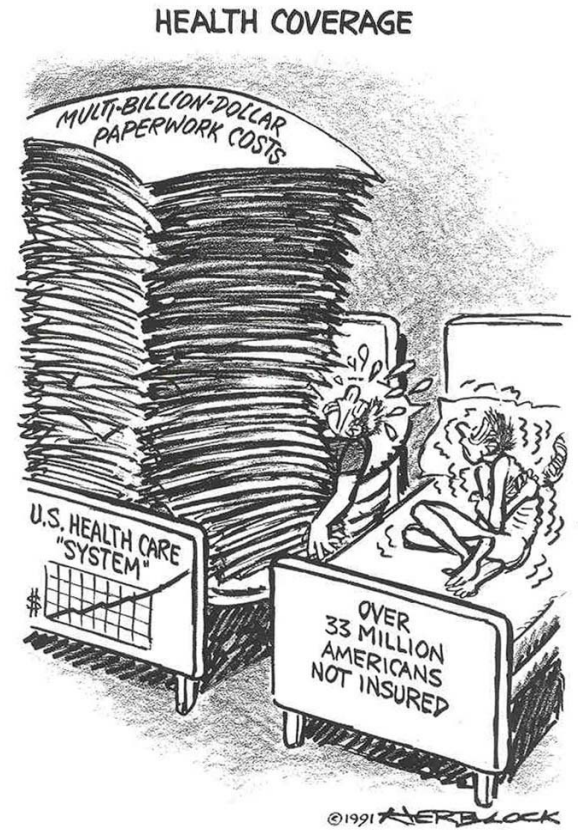
- The AFL-CIO campaign
- The mobilization of senior citizens
- The defection of AMA allies
- Public disdain for AMA tactics



# Medicare provisions

- Physicians could charge their usual fees
- Hospitals would be paid their customary charges
- Private insurance companies would administer the program
- Uncovered health care expenses left private insurers with medigap market

# The Dilemma of Rising Costs





# How the Clinton Plan Was Defeated

- The HIAA and the NFIB:
  - paid for a \$15 million ad campaign
  - enlisted grass roots supporters
  - created SWAT teams
  - made campaign contributions to key politicians
  - created coalition with other business organizations

# Why the US Lacks Universal Coverage

- Powerful stakeholders have blocked every attempt to enact national health insurance and supported a private sector alternative
- The battle over national health insurance has shaped the structure of the health care system

# Constructing a Private Sector Alternative

- 1940s the defeat of the Truman plan
  - policy decisions that encouraged the spread of private group insurance
  - labor movement defected from the struggle for universal coverage
- 1965 the enactment of Medicare
  - preserved a profitable market segment for private insurers
  - aged defected from the struggle for universal coverage
- 1990s failure of Clinton's plan
  - increased regulation to shore up the private health insurance system
  - greater incorporation of managed care firms into Medicare and Medicaid