

A System in Need of Fundamental Reform

Dennis Lazof, Ph.D.
Treasurer, Founding Member
Health Care for All NC

Director, Project EINO
EverybodyInNobodyOut.org and
www.RightToHealthCare.org



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Today's Presentation

1. Uninsured and underinsured
2. Costs
3. Outcomes
4. Personnel
5. The basics
6. Health Care a Fundamental Right:
What you can do



1. The Uninsured and Underinsured



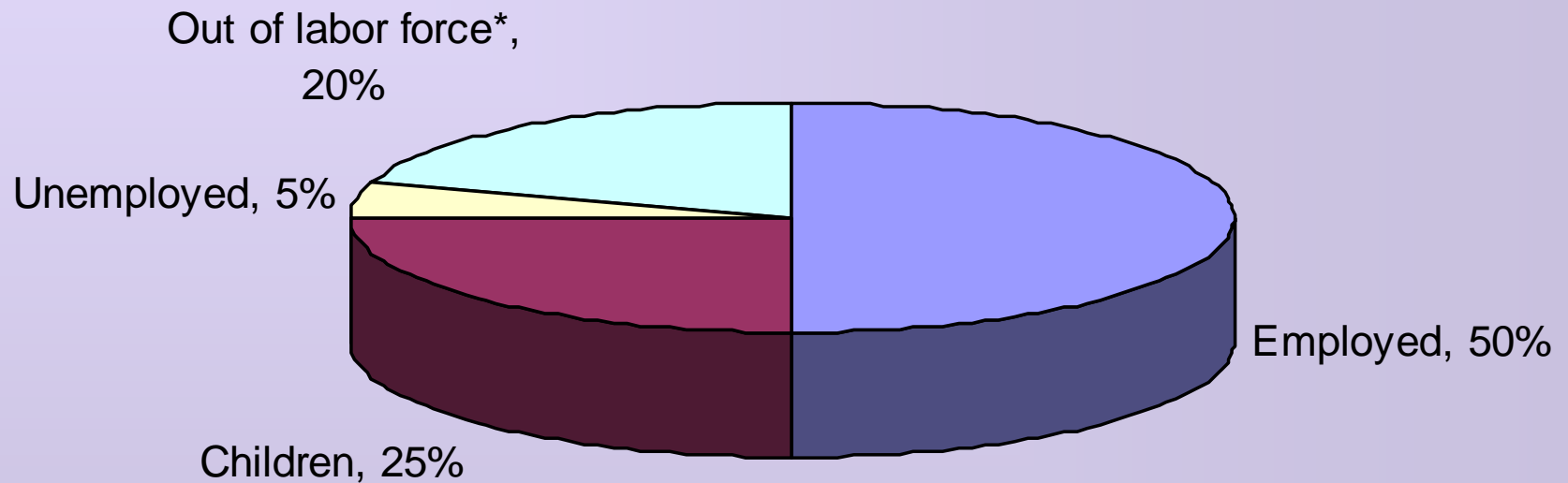
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The Uninsured and Underinsured Grains of Salt

- **46 million** uninsured for the full year of 2004 (add 70% to NC data of 1.3 M in 2005)
- **82 million** uninsured for significant part of a year, 2002 or 2003 (1 of 3 n-e adults every yr)



Who Are The Uninsured?



* Students over 18, Disabled, Retirees, Homemakers



Who is underinsured?

- Official count: only those who needed care, had insurance, but weren't covered for need
- Everyone with exclusions on coverage, either specified conditions, or capped coverages
- Perhaps all insured working Americans (not legislators in DC)



2. Costs



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U.S. Health Care Costs

- Year to year increases of 7+%
- More than twice the OECD average per capita expense (\$6711 v. \$2958, 18 nations, 2003)
- 15.2% of GDP, v. 9.3% OECD (+/- 1.2%)
- Premiums paid by employers rise by ~10% per year, less offer insurance, many decrease portion they pay and coverage quality

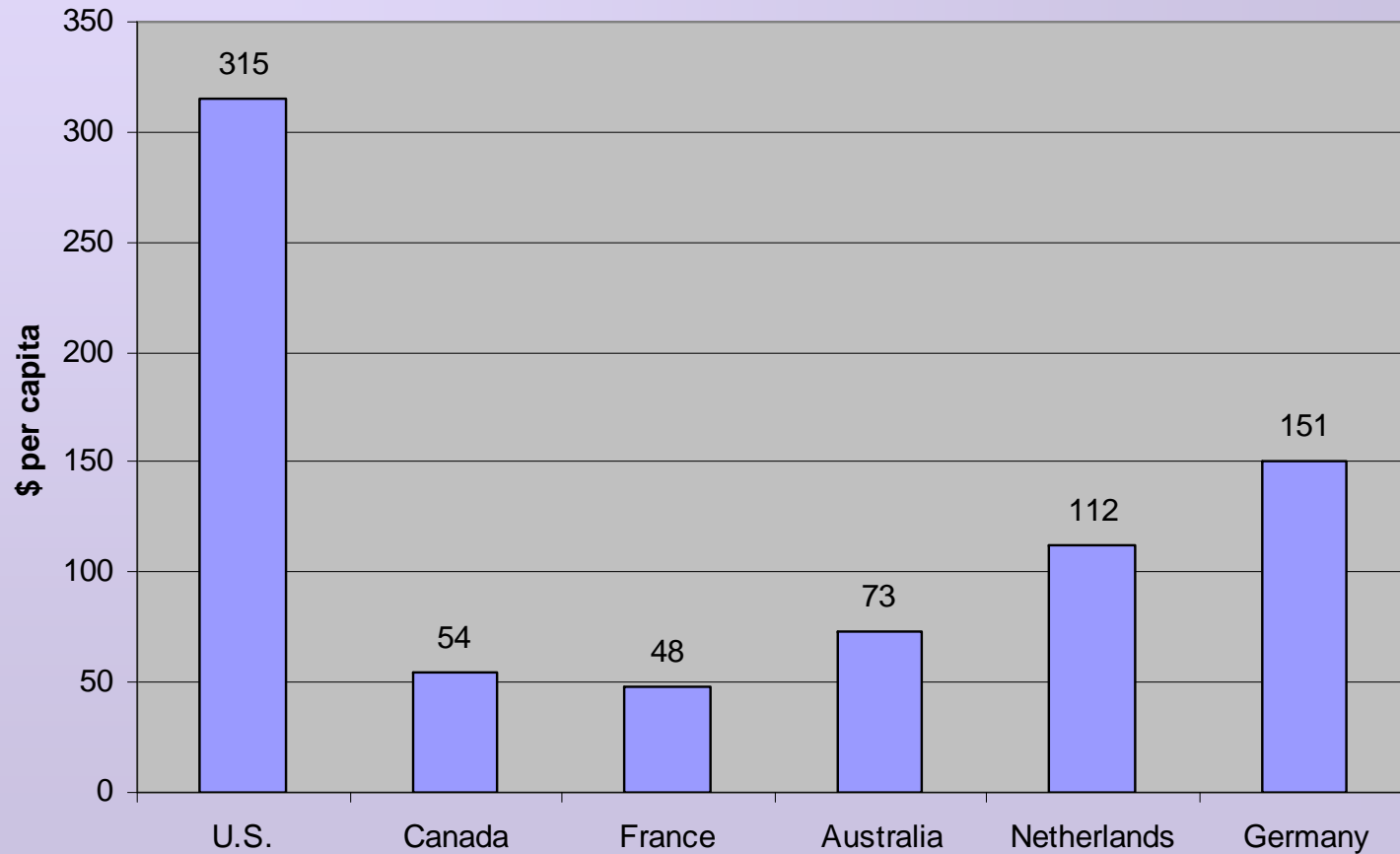


Nonmedical Health Care Costs

- Private insurers' administrative costs, 20-30% of the total, are ~10 times that of Medicare
- Administrative costs for hospitals and doctors' offices aren't even included in the above



Insurance Overhead, 2001



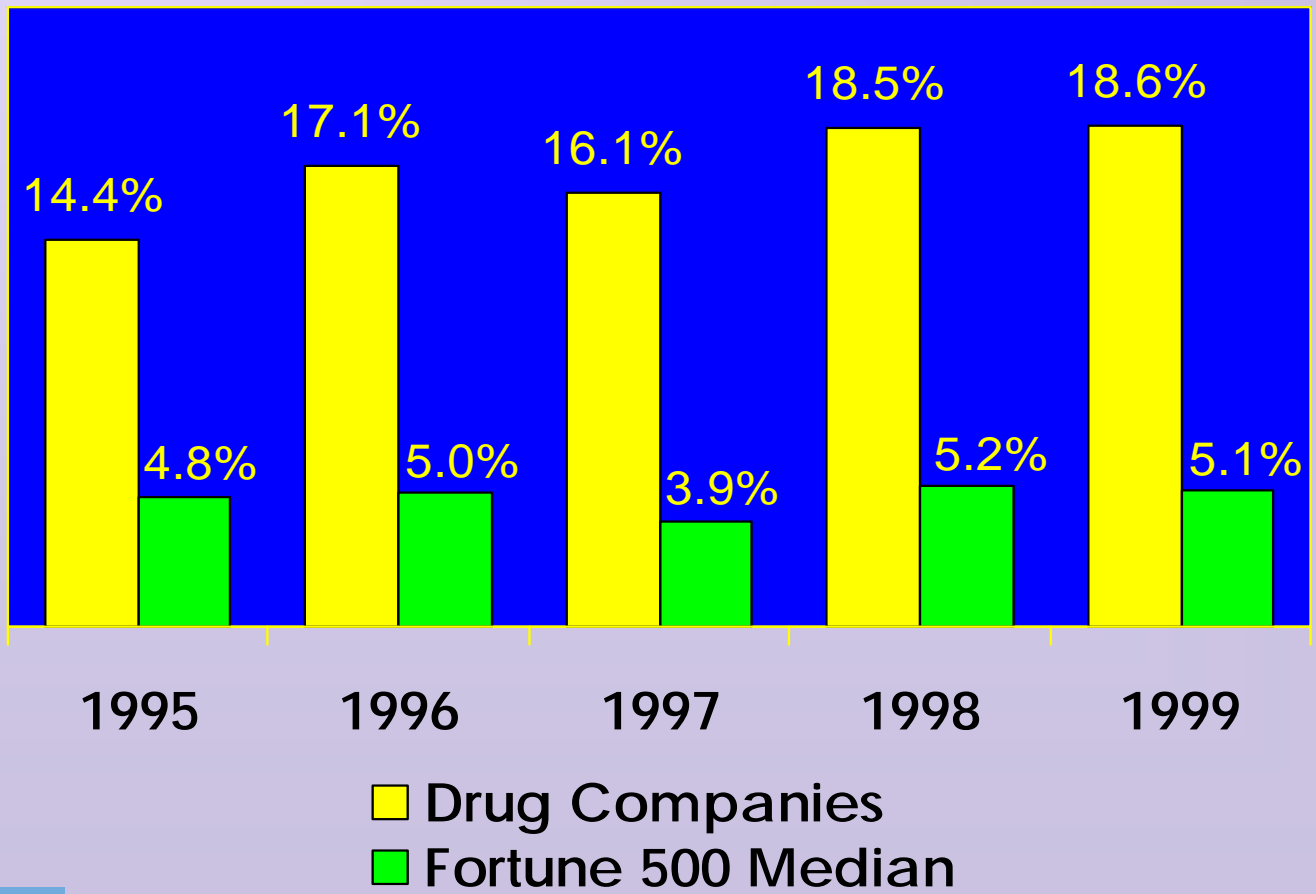
Drug Costs

- U.S. is highest in the world
54% more than Europe
34% more than Canada
- Fastest growing part of cost of U.S. health care
- Only nation with non-negotiated pricing (except for VA)



Drug Company Profits, 1995-1999

Return on Revenues (%)



Source: Fortune 500 rankings for 1995-1999

Note: Pharmaceutical industry ranked first among all industry groups each year

Total drug company profits, 1999 = \$27.3 billion

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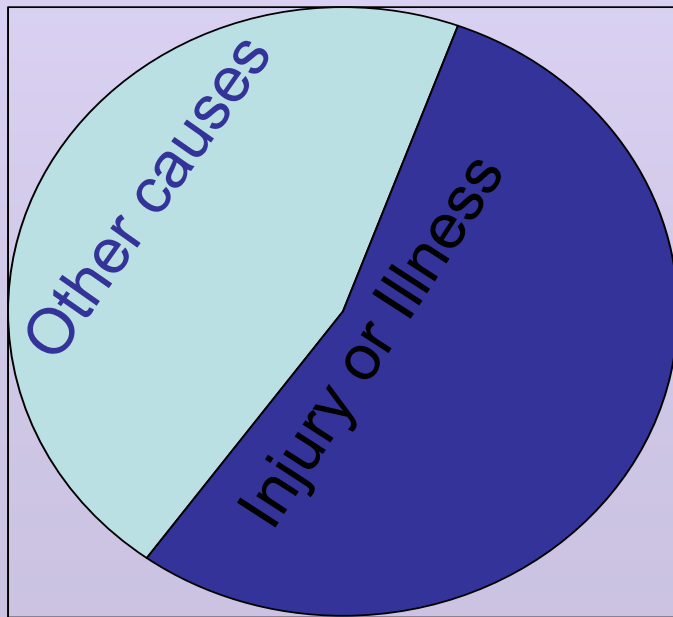
General Motors' Health Care Costs

- \$5 billion in 2003
- \$1,200+ per car sold
- More cost per car than steel
- New expansion of plant in Windsor, Canada



Illness and Medical Costs: A Major Cause of Bankruptcy

Causes of Bankruptcies



54.5% of all bankruptcies involve a medical reason or large medical debt

2,000,000 Americans identify illness/injury as the main reason for bankruptcy



3. Outcomes



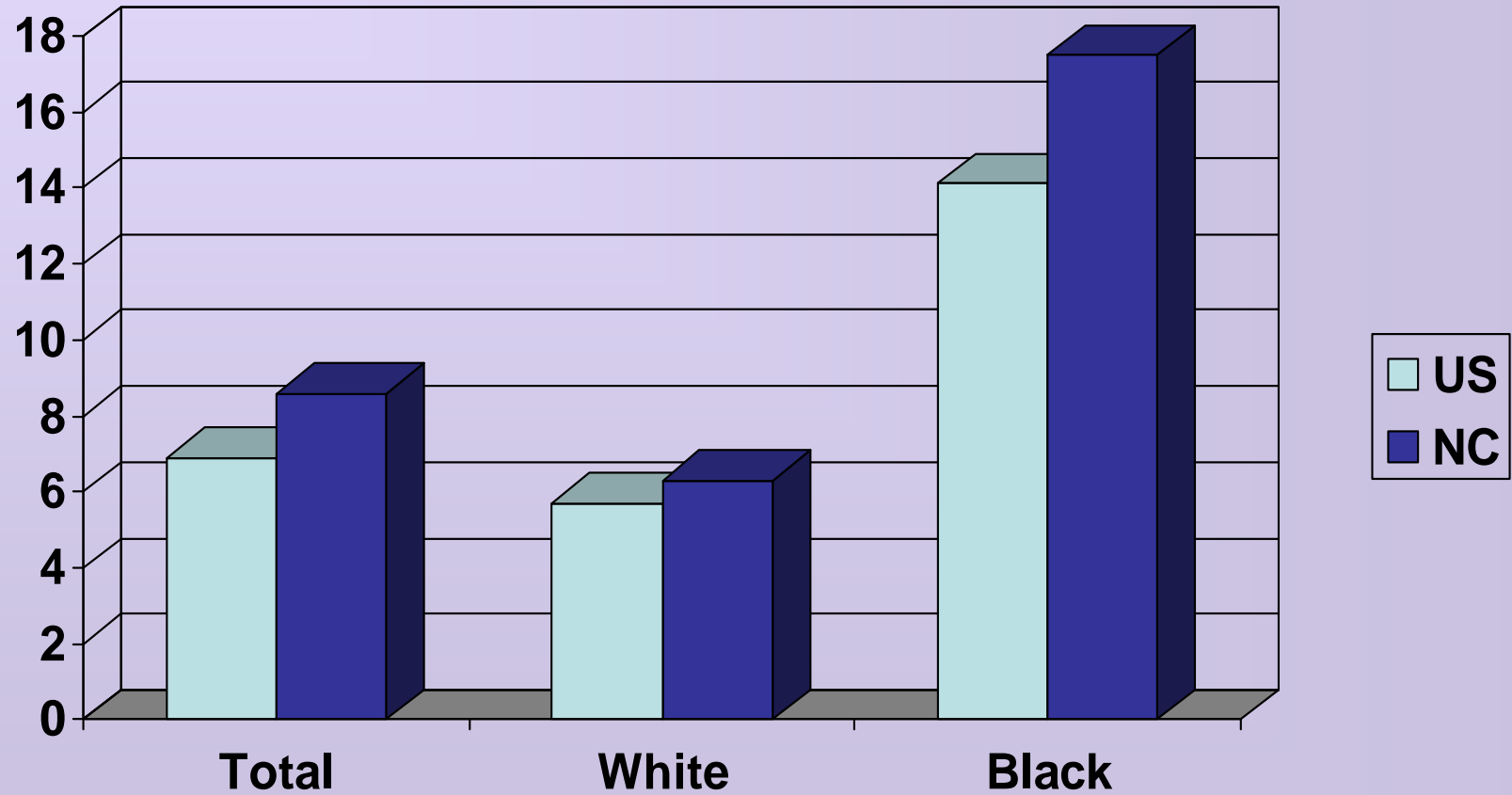
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Is US Health Care Better?

- Health outcomes (IMR, mortality, life expectancy) are much worse than most other western nations
- Inferior quality: 37th in the world according to the WHO



Infant Mortality US and NC in 2000



4. Personnel



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RN Administrators vs. Clinicians

- Nurse administrators, as a percent of the workforce, growing exponentially
- Clinical nurses growing more slowly
- The death rates for patients increase dramatically as patients per clinical nurse increases



5. The Basics



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It's Simple: among industrialized world

1. Only we have uninsured and they are a huge portion (officially 1.3 M in NC)
2. We spend twice as much
3. Public expenditures for health care already about what is needed (uninsured are paying into)



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Estimates published in the International Journal of Health Services conclude that “streamlining administrative overhead to Canadian levels would save approximately \$286 billion in 2002, \$6,940 for each of the 41.2 million Americans who were insured as of 2001. This is substantially more than would be needed to provide full insurance coverage.”



6. Health Care a Fundamental Right: What you can do.



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Why the Right to Health Care?

- Sound legal basis already exists
- Historical precedent (Right to Education)
- Avoiding More Patches to Crumbling System by Demanding at outset that universality is absolute
- Allow legislature and it's commissions, which are responsible to the people, to develop and implement the most appropriate plan (avoid nit-picking)



First Steps for You

- Recognize the problem, focus on the basics
- Educate colleagues, the public, and public officials
- Advocate for Health Care for All



The Necessary Next Step

Pass a constitutional amendment in North Carolina that makes health care a right



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What You Can Do

- Talk with your legislator about H 901 & H1897
- Write local op-eds or letters to the editor
- Have your UU congregation endorse the "Right to Health Care"
- Speak at local events on behalf of HCFA NC and the right to health care
- Use HCFA NC as a resource for information, speakers and local actions
- Introduce us to organizations in your town or in your region
- Support HCFA NC with your time, donations and resources



Thank you



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