President Trump is heading for a realization that will make him stand in awe, as hard as this may be to imagine. The health care issue is going to be the most difficult challenge for him to tackle. Despite his previous rhetoric, the ACA may have to be replaced but by an even more ACA-like scheme resembling, god forbid, Universal Health Coverage-UHC. Two fundamental and “uncomfortable” truths make the case.

Truth one, America spends too much for health. As a share of GDP, twice as much as other rich nations. Even worse, this expenditure comes out of the household income as private insurance premiums or out-of-pocket payments. Canada, Germany, France or Britain in comparison, spend half as much as nations and a quarter as much as households.

Truth two, America does not only overspend for health, but also gets much less in return. By any available measure of health status or health outcomes, America and especially inner-city and low-income populations might just as well be living in Asia or Africa. Obesity as a health risk is staggering. Long-term vital statistics show life expectancy in America is falling relative to other Nations[1], and America does not seem to share worldwide gains in longevity[2].

America cannot afford to continue spending for health as it spends now if she is to maintain fiscal health and present living standards. Spending one out of five dollars produced for health, while the nation’s infrastructure is crumbling and its global strategic position is threatened is a no-brainer. President Trump has not yet realized that the sooner he controls health expenditure and the way the money is spent, the better for him, his party, and the rest of America.

Private insurance is in retreat from health. Aetna’s actions are the clearest sign yet that GOP-inflicted confusion about the future of the ACA will have negative consequences for individual insurance buyers. The present Obama care plan is not viable and private insurance is beginning to “walk away” from it, and Aetna has already given warning[3]. This should be expected. The type of people opting for Obama care are “bad insurance risks”. To cover them, premiums must be so expensive as to render insurance for others unaffordable.

The fact of the matter is that there are simply not enough “healthy people” left to sign up for private health insurance to maintain its profitability. More people signed under the ACA simply means lower profits and, eventually, losses. It is more than clear, therefore, that private health insurance cannot “go it alone”. This, without bringing into the argument yet unknown and other growing health risks, going as far as mass bio-terrorism recently exposed by Bill Gates[4].

The case for UHC is becoming more obvious every day. Private health insurance can no longer be the main financing mechanism. It is, therefore, time for the public budget to “chip in”, as unpalatable as this appears, especially to Republicans. And since deficit financing is not a viable alternative, health care must become cheaper and more affordable to the public and the private purse. For this, health prices must come down and efficient production and delivery of health care go up drastically. This in turn means lower private hospital profits, lower medical fees and much lower drug prices. It means more doctors graduating from medical schools, even if they’re looking at lower incomes.

Reality is knocking on America’s door. There is nothing like it to make even President Trump stand in awe of reality. Although he still appears in denial, there is no doubt that the next budget will present a formidable challenge. Repealing Obama care
will seem less desirable politically than its expansion. If this about-face proves a blow to long-held tenets of Medical Capitalism, it is the only path to political survival. The health care field is “too big” for any government to “fail”.


Only the full enforcement of the already existing anti-immigration legislation will cost a tremendous amount of money. And then, there are the crumbling dams and bridges.

References


2. South Korea will take lead in life expectancy by 2030, study predicts. 2017.


4. BILL GATES: A new kind of terrorism could wipe out 30 million people in less than a year - and we are not prepared. 2017.