

Report: Single-Payer System Can Solve U.S. Health Crisis

By Ben Weyl, CQ Staff

Congress could enact a major economic stimulus and solve the nation's health care woes in one step by adopting a single-payer health care system, according to a new report.

The report, released by the Institute for Health and Socio-Economic Policy, estimates that a single-payer system would create 2.6 million new jobs, slightly more than the total number of jobs lost because of the recession. It also would increase business and public revenues by \$317 billion and employees' wages by \$100 billion. The institute is the research arm of the National Nurses Organizing Committee/California Nurses Association.

"Through direct and supplemental expenditures, health care is already a uniquely dominant force in the U.S. economy," Don DeMoro, lead author of the study, said in a statement. "However, so much more is possible. If we were to expand our present Medicare system to cover all Americans, the economic stimulus alone would create an immense engine that would help drive our national economy for decades to come."

According to the report, expanding Medicare to cover all Americans would cost \$2.73 trillion a hefty sum but only \$63 billion more than what the country currently spends directly on health care. The report did not suggest a way to fund the health care overhaul but raised the idea of adopting a value added tax, among other suggestions.

If adopted, the proposal would provide health insurance to the 47 million people without coverage and extend Medicare Part D coverage to another 15 million recipients, according to the report. It also would "signal that our country is responsible for the basic needs of all of our population as virtually all of the world's industrialized nations already are."

Still, as Congress crafts a health care overhaul, adoption of a single-payer plan seems unlikely. As a candidate, Obama touted health care proposals that included an employer-sponsored insurance component. In November 2008, Senate Finance Committee Chairman Max Baucus, D-Mont., released the outlines of a plan that also include a role for the private sector. He hopes to introduce a bill early this year.

Congress is currently working on an economic stimulus package that Democratic leaders hope to have on President Obama's desk by Feb. 13, when Congress is supposed to depart for its Presidents Day recess. House Democrats released an \$825 billion proposal last week that includes \$124.1 billion for health care.

. <http://www.calnurses.org/research/pdfs/ihsp_sp_economic_study_2009.pdf> Report (pdf)

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