

## Why Universal Healthcare is a Trend in the U.S.

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### Abstract

*Is the recent Congressional House of Representatives repeal and replacement of the Affordable Care Act a significant event in America's healthcare? Is this a hiccup in a trend for one nation that lacks universal healthcare or the end of a movement? The purpose of this research is to determine if there is a movement to developing universal healthcare in the United States. If there is one, what influences are promoting and supporting that effort, and what influences are slowing or prohibiting that effort? This paper will examine the possibility universal healthcare is a trend over time.*

Why might the recent Congressional House of Representatives' repeal and replacement of the Affordable Care Act with the American Healthcare Act not be a significant event in America's future in healthcare? Is this action only a hiccup in a far more significant trend for the one modern nation that still lacks having implemented universal healthcare for its citizens? The purpose of this research is to determine if there is a movement to developing universal healthcare in the United States. If there is a trend, what influences are promoting and supporting that trend? What influences are slowing or prohibiting that effort? This paper will examine the possibility universal healthcare is a trend over time. It will also examine recent events that indicate support for and against a movement toward universal healthcare.

## **Analysis of Influences**

### **Supporting Forces**

#### **ACA Shifts Attitudes**

The U.S. spends about twice as much of its Gross Domestic Product (GDP) for healthcare than do other developed nations, but the U.S. only achieves mediocre outcomes in care to its citizens (Teitelbaum and Wilensky, 2017). The more Americans learn about healthcare, it seems they are more willing to expand their options in what healthcare Americans should have. When the Affordable Care Act was introduced in 2010 opponents seemed sufficiently successful in convincing more than half the country to object to the Affordable Care Act (The Daily Signal, 2010). The Kaiser Family Foundation has found some change in those original views about the ACA (Kaiser

Family Foundation, Health Tracking Poll, n.d.) Other recent polls have shown higher favorability. Gallup (Norman, 2017) reported the popularity of the ACA had reached 55% favorability. The argument can be made that as the elements of the law are learned and experienced, acceptability of the ACA and its provisions grow among rank and file citizens. The guaranteed coverage of those with pre-existing conditions and coverage of children up to age 26 on their parents' insurance plans are examples of positively accepted elements. (Feldstein, 2011a) Other elements that were initially unacceptable, like a mandate to be insured or pay a tax, were better explained and proved not to be as invasive or intrusive, or as big a burden as opponents claimed. How the mandate or be taxed brings down costs in the overall market by including the young and healthy has not been a big positive, regardless how true it may be. Other clearly false claims, like the ACA implementing death panels, misleadingly derived from the cost saving and family stress reducing ideas like reimbursing doctors for discussing end of life decisions, were debunked (Talking Points Memo, n.d.).

### **Attitude toward Government Role in Healthcare**

The ACA has as a government program both revealed flaws in a market provided system and at the same time, demonstrated the value of government interventions. The reality is that a market system will provide healthcare to those with the means to purchase it, and one must have dollars to "vote." Those without or with limited dollars, like the aged, disabled, unemployed, and low income, will not be full participants in a market driven system. Economists find that not to be a market failure, as the market can efficiently do its job meeting the demands of those with means to participate. It is not the job of the

market to ensure all can participate in purchasing healthcare or insurance (Feldstein, 2011b)

In 1965 Medicaid and Medicare were approved to address this market problem. The ACA today is an indicator how the market may not be meeting the needs of some. Some insurers have limited their participation in the healthcare.com health insurance markets in each state. As private parties some of these private insurers can elect to opt out of selling plans not considered profitable, even when some members of society with government subsidies cannot purchase care. Hence, the ACA has demonstrated how the market will not necessarily result in what citizens deem needed. Only additional government intervention may address the social outcomes sought. (Feldstein, 2011b; Lee, 2015)

## Political Shifts

During the 2016 Presidential campaign the left wing of the Democratic Party represented by Senator Bernie Sanders openly promoted universal healthcare. (On the Issues, n.d.)

The moderate Democrats avoided that position, but supported continuation of the ACA.

Republicans who began the original position to repeal the ACA outright, moved to a repeal but replace the ACA position. An open position for universal healthcare was relatively new even by some of the Democratic Party that promotes government involvement in healthcare. Furthermore, the party that has for six years voted in the one area they controlled, the House of Representatives, to repeal the ACA over 50 times, (Walsh, 2012) now with the potential to take real action on that symbolic vote, has elected not to just repeal the ACA, but to repeal and replace it. A current version of the bill, still not scored by the Congressional Budget Office to date, retains elements of the

ACA, but adds some politically ideologically more acceptable components to facilitate passage in one arm of government they control.

John Boehner, a Republican who was until recently the former Speaker of the House of Representatives, scoffed that any repeal and replacement of the ACA by his party would occur. Rather, Boehner suggested, the change would be the ACA with a new name and a “box” around it. Some elected Republicans argue they are fulfilling a longstanding six-year commitment to their voting constituents to repeal the ACA. (Tahir, 2017)

As suggested, the repeal has now included replacement. Can we now connect the lack of a total repeal to the preferences of these same constituents? Have these constituents changed their view on government involvement in healthcare and convinced these elected officials to promote more government intervention to provide better healthcare? The political party that has ideologically fought and resisted any or limited government involvement in healthcare has seemed to have loosened its limits on allowing government in healthcare. The narrative now seems to be less concern about government in healthcare and more about which government. Now it seems the state government should be leading the involvement, they argue, not the federal government. Republicans now in charge of the House of Representatives seem to be including the more popular elements of the ACA supported by the public into more ideologically acceptable legal interventions. Those elected officials that opposed the ACA, the only significant law filling a void in government healthcare activity since 1965, will not repeal it, but replace it. This seems to be a step in the direction of accepting greater government involvement in healthcare.

**Younger Ideas**

Another factor that seems to have influence on the promotion of universal healthcare is the age of those who supported Senator Bernie Sanders. To the extent that group presents a younger generation of American, the more likely universal healthcare will become reality. This group does not fear the “isms” like their parents and grandparents. This group is not concerned that universal healthcare might be socialized medicine, as their parents and grandparents were told. They seem to be aware of the comparisons of the GDP spending and outcomes of healthcare realized by the U.S. and other nations.

At the other end of the age continuum you would expect to find older Americans actually needing and using more of the healthcare government programs than their younger fellow citizens. To the extent this group is using the ACA or benefiting from its protection or services, like encouraging states to expand Medicaid, the more likely this group will resist removal of healthcare benefits and popular ACA provisions like guarantees to insure citizens with pre-existing conditions.

### **Provider Expectations**

When President Obama and the Democratically controlled Congress negotiated the ACA, provider groups were included in the bill’s development. Insurance companies and physician groups were visibly involved, but pharmaceuticals were omitted. These included provider groups have begun voicing concerns over the repeal and replacement of the ACA. Medical providers and insurance companies are experiencing reimbursement due to increased demand in healthcare by newly insured patients.

(DuBois, 2014) To the extent a movement toward universal healthcare includes these groups as private partners, their support for universal healthcare may be maintained.

Universal healthcare may be achieved by a single payer system. Some use a coordinated

private insurer or a mix of private services and government providers. To the extent existing providers and insurers are assured a role in the future system, the more likely they will support a move to universal healthcare.

## **Financial Realities**

The ACA will cost the federal government a third of what the Congressional Budget Office projected. (Talking Points Memo, 2017) The ACA over a period of ten years will reduce the deficit and its repeal would increase the deficit. (Congressional Budget Office, 2012, 2012) This comes as a surprising fact as opponents tend to refer to the costs of the ACA, but omit the revenues counted by the Congressional Budget Office. If the ACA can reduce the deficit, what opportunities to reduce our deficit even more do we have with universal healthcare? The financial achievement of the ACA could form a basis for those promoting universal healthcare to move another step farther in financial savings.

## **Limiting Forces**

### **Political**

A number of factors form a basis of forces to potentially delay or prohibit universal healthcare. The Republican right wing Freedom Caucus would prefer to prohibit or limit any government involvement in healthcare, unless initiated by the states. While the Tea Party seems less covered by the media, to the extent it exists, the government role in healthcare for them would also be limited.

### **Lobbyists**

Pharmaceuticals and Pharma were not included in the ACA development. One has to only look at the high cost of drugs to see an indication of that. Congress has done little more than hold hearings with some elements of the drug industry when their prices reach

exorbitant levels. Any movement toward universal health would likely be seen as a potential threat to the drug industry. Unless an effort is made to reach an agreement with this lobby to guarantee some future participation or neutralize it, it would be a factor that limits efforts to move to universal healthcare.

## Ideologies

About half the state legislators and governors refused to expand Medicaid, having obtained a Supreme Court ruling backing their position that it was unconstitutional for the federal government to remove all Medicaid if it was not expanded (Liptak, 2012). The irony is that neither the mandate or pay a tax, nor the required Medicaid expansion by the states would be needed in a system of the federal government offering universal healthcare as an option to its citizens. However, the fact these states are controlled by the groups who refused to offer healthcare to its citizens at little or no cost to the states, represents a block of potential resistance to universal healthcare, regardless of their economic self-interest.

## Conclusion

On balance, will the forces of promoting universal healthcare prevail over the forces that resist it? The ACA has been a catalyst in changing attitudes toward healthcare.

Healthcare is being seen as a human right. It may require the necessity of government involvement. A political candidate can use the phrase ‘universal healthcare’ and be taken seriously. In the long run, the younger age groups will replace older persons and their ideas. This should not be construed that this group is more political, however. Providers have expectations to be involved in the future of healthcare delivery. Fear of financial disaster has not occurred. A Republican controlled House, Senate, and President did not



easily repeal the ACA. This suggests the pendulum is not just going to swing one way and then swing back. If repeal had quickly occurred, the best forecast would be healthcare continues just to swing back and forth, going nowhere in particular. The fact the opposition to the ACA has moved to retain elements of the ACA, even as they are carefully trying to fulfill a campaign promise to repeal, is significant. These elected officials seem constrained by their perception of the public interest that more healthcare needs to be offered, not just swing the pendulum back to no care as before the ACA. How soon universal healthcare will happen is another question. In the area of civil rights in America, the Dred Scott decision upholding slavery was made prior to the Civil War. The Thirteenth Amendment was also legislated. Then Plessey v Ferguson supported racial segregation, making separate but equal the law of the land. However this was overruled fifty years later in Brown v Board of Education. One might observe that this trend has been ongoing for 150 years and continues.

Healthcare had its first event in 1965 with Medicaid and Medicare and a second with the ACA in 2010. How and when a third step occurs is a question. Is this repeal and replace of the ACA a hiccup or an end in the trend toward universal healthcare? As one examines the forces that promote healthcare by government, and those that limit it, the promotion of a movement toward universal healthcare seems to have a significant edge. The age of those who support it combined with the changes in perceived attitudes by those who have opposed it, are indicators a trend is in process toward universal healthcare, although the speed of its acceptance requires further study.

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