

Universal Healthcare Now! “An Out of Control Medical Industrial Complex”

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Vital statistics during the past two and half years of the Covid-19 pandemic, indicate that nearly one million Americans died. Countless people suffered adverse effects from isolation, the loss of 22 million jobs, shuttered businesses, closed schools, and the inability to have pre-existing medical conditions treated in a timely manner. Mental disorders skyrocketed.

Among adults, moderate to severe anxiety increased 37 percent and 30 percent for depression.

It was worse for young adults and teens; the Century Foundation states 43 percent of younger adults reported anxiety conditions. Behind this pain and suffering is a national healthcare system that has become a predatory phenomenon. Medical costs are outrageous and insurance coverage charges for every conceivable medical service and item imaginable. Most people with health insurance are denied full coverage. This has resulted in millions of Americans being placed in debt peonage and on the threshold of bankruptcy.

The question is what can be done to bring an out of control medical industrial complex into line to serve the needs of American citizens which other nations’ healthcare systems have done for decades. The answer remains the same as it has been for the past half century. Universal healthcare.

For a nation that prides itself on being the world’s wealthiest, most innovative and technologically advanced, the US’ healthcare system is nothing less than a disaster and disgrace. Not only are Americans the least healthy among the most developed nations, but the US’ health system also [ranks dead last](#) among high-income countries. Despite rising costs and our unshakeable faith in American medical exceptionalism, average life expectancy in the US has remained lower than other OECD nations for many years and continues to decline. During the pandemic it is estimated that two to three years was lost on average life expectancy. On the other hand, before the Covid-19 pandemic, countries with universal healthcare coverage found their average life expectancy stable or slowly increasing. The fundamental problem in Washington is that both parties have been far too

beholden to the pharmaceutical, HMO and private insurance industries. Neither has made any concerted effort to reign in the corruption of corporate campaign funding and do what is sensible, financially feasible and morally correct to improve Americans' quality of health and well-being.

The fact that our healthcare system is horribly broken is proof that moneyed interests have become so powerful to keep single-payer debate out of the media spotlight and censored. Poll after poll shows that the American public favors the expansion of public health coverage. Other incremental proposals, including Medicare and Medicaid buy-in plans, are also widely preferred to the Affordable Care Act or Obamacare mess we are currently stuck with.

It is not difficult to understand how the dismal state of American medicine is the result of a system that has been completely sold out to the free-market ideology and the bottom line interests of drug makers, healthcare mega-corporations, and an inflated private insurance industry. How advanced and ethically sound can a healthcare system be if tens of millions of people have no access to medical care because it is financially out of their reach? At the [end of 2021](#), 30 million Americans did not have health insurance including 9 million children. Almost 40 million more are underinsured.

The United Nations recognizes healthcare as a human right. In the 2018, former UN Secretary General Ban Ki-moon denounced the American healthcare system as "politically and morally wrong." Ki-moon belongs to a group known as The Elders founded by Nelson Mandela and funded by Sir Richard Branson and musician Peter Gabriel, a group of older wise statespersons around the world determined to tackle global crises during their remaining years and unafraid to take on the capitalist system. Among their initiatives is [global universal healthcare](#). As it turns out, the US has been the most influential roadblock to reach that goal.

The US' healthcare system is a public economic failure, benefiting no one except the large and increasingly consolidated insurance firms at the top that ultimately supervise the racket. It spends twice that of any other country, making up 18 percent of national GDP in 2019. The entire system is an example of the nation's moral deterioration that also fuels a steady rise of inequality for the past three decades.

Our political parties have wrestled with single-payer or universal healthcare for decades. Obama ran his first 2008 presidential campaign on a single-payer platform. His campaign health adviser, the late Dr. Quentin Young from the University of Illinois Medical School, was one of the nation's leading voices calling for universal health coverage since 1986. Among the 35 most developed OECD nations, 32 have some form of national universal care. However, past efforts to even raise the issue have been viciously attacked. A huge army of private interests is determined to keep the public enslaved to private insurers and high medical costs. The failure of our healthcare is in no small measure due to it being a fully for-profit operation. Consider that there are currently 907 private insurance companies in the US, which earned the industry \$881 billion in 2020. Older corporate rank-and-file Democrats and Republicans argue that a single-payer or socialized medical program is unaffordable. However, not only is single-payer affordable, it will in the long-term save \$2 trillion or more annually. It will end bankruptcies due to unpayable medical debt. In addition, universal healthcare, structured on a preventative model, will reduce disease rates at the outset.

During a private conversation with Dr. Young shortly before his passing in 2016, he conveyed his sense of betrayal at the hands of the Obama administration. Dr. Young was in his 80s when he joined the Obama campaign team to help lead the young Senator to victory on a promise that America would finally catch up with other nations. The doctor sounded like a defeated man. He shared how he was manipulated, and that Obama held no sincere intention to make universal healthcare a part of his administration's agenda. During the closed-door negotiations, which spawned the weak and compromised Affordable Care Act, Dr. Young was neither consulted nor invited to participate. In fact, he told us that he never heard from Obama again after his White House victory.

The record shows that the principal parties meeting with the Obama administration were from the private insurance and medical industries. It was this cartel that created Obamacare. It was left to the charismatic Obama and bureaucrats in his administration to tailor the disingenuous narrative to convince Americans it was a spectacular public victory. Looking back, Obama's domestic promises and accomplishments, including Obamacare, were anemic at best. His policies only further muddled the bureaucratic waters and public interests with esoteric taxes, shortsighted giveaways, and regulatory hurdles. Meanwhile, the physical and mental health of the nation continues to erode.

Today the pharmaceutical, HMO, and insurance industries, as well as medicine's most prominent professional associations, medical schools and Wall Street firms form a powerful force with its tentacles wrapped around the throats of politicians and the federal health agencies. In 2021, the pharmaceutical and insurance industries alone spent over half a billion dollars on lobbying Washington.

Corporate Democrats argue that Obama's Affordable Care Act (ACA) was a positive step inching the country towards complete public coverage. However, aside from providing coverage to the poorest of Americans, Obamacare turned into another financial anchor around the necks of millions more. Since the law was enacted, the average price for a family health policy rose by \$2,200. [During the same period](#), patient out-of-pocket hospitalization costs increased to \$329 billion. The ACA is riddled with loopholes benefiting the private insurers who wrote the bill. Rather than healthcare spending falling, as Obama promised, it has exploded. Trump made matters worse. Under his administration, an additional [7 million Americans](#) fell into medical hardship and joined the uninsured. Today, one in 10 children under 18 are uninsured, an increase of 5 percent under Obama to [almost 10 percent](#) before Biden took office. These figures are in no way indicative of a "strong economy."

Clearly, a universal healthcare program will require flipping the script on the entire private insurance industry, which employed over half a million people last year. During the years 2015 to the end of 2018, private insurance profiles rose almost 600 percent. And profits continue to surge. Topping the list, *The Guardian* reported that United Healthcare Group alone earned \$4.3 billion in profit during the first year of the pandemic, far beating out its expectations. None of this extreme wealth went directly towards preventing disease. Private insurance is a middle-man scam.

Obviously, the most volatile debate concerning a national universal healthcare system concerns cost. Although there is already a socialized healthcare system in place — every federal legislator, bureaucrat, government employee and veteran benefits from it — fiscal Republican conservatives and groups such as the Koch Brothers network, including the Koch-funded Mercatus Center at George Mason University, are single-mindedly dedicated to

preventing the expansion of Medicare and Medicaid. A Mercatus analysis made the outrageous claim that a single-payer system would increase federal health spending by \$32 trillion in ten years. However, analyses and reviews by the Congressional Budget Office in the early 1990s concluded that such a system would only increase spending at the start; enormous savings would quickly offset it as the years pass. [In one analysis](#), “the savings in administrative costs [10 percent of health spending] would be more than enough to offset the expense of universal coverage.” High administrative costs overshadow all aspects of US healthcare, not just the insurance industry. Twenty-five percent of hospital spending is administrative, compared to 16 percent in the UK. In 2015, CNBC reported that \$275 billion was wasted in insurance paperwork. In addition, there are billing services, which in 2012 averaged \$471 billion to physicians, hospitals, supply services, and private and public insurers. The Green Party’s Dr. Margaret Flowers, the national coordinator of Health Over Profit for Everyone, argues that [a single payer system](#) is “the best way to put private insurers on the margins of our healthcare system and to control the pharmaceutical industry” as well as their exorbitant drug prices.

Indeed, a universal healthcare system would increase federal spending. But at the same time, independent analyses indicate it would reduce the nation’s total healthcare costs, a critical goal we should strive towards. Compared to other nations, the US spends a disproportionate amount on healthcare. [According to Statista](#), as of 2021, the US spent approximately \$12,531 per person. However, as we will note below, this is a misleading figure. It conceals the deeper problems running through the system. Compare this to Switzerland, the second highest per capita spender at \$8,000. [After the US and Switzerland](#), per capita expenditures decrease dramatically, with Germany (the third highest) at \$5,700. France, Canada, Belgium, Japan, Australia and the UK each spend less than half of the US.

[An investigative review](#) published by *The Atlantic* found that more than half of healthcare spending goes to only five percent of patients! If this money were equally distributed, then the \$12,500 per capita expenditure for every adult and child might make sense. The writer calls this tiny segment of patients who dominate health costs the “Platinum Patients.” Most of these medical “frequent flyers” are the elderly and the chronically ill who have reached the final months or days of their lives. This is where tens of billions of dollars in care and treatment are spent annually. This segment of patients is also the most lucrative for private insurers, hospitals and doctors – patients whose charts can be larded with unnecessary diagnostic tests, drug prescriptions and medical procedures to further scam the system.

Funding a National Health Program would primarily be accomplished by raising taxes to levels comparable to other developed nations. Senator Bernie Sanders and some of the younger Democrat progressives in the House would tax the highest multimillion-dollar earners 60-70 percent. Despite the outrage of its critics, including old rank-and-file multimillionaire Democrats like Nancy Pelosi and Chuck Schumer, this is still far less than in the past. During the Korean War, the top tax rate was 91 percent; it declined to 70 percent in the late 1960s. Throughout most of the 1970s, those in the lowest income bracket were taxed at 14 percent. Life, including healthcare, was affordable then.

But Democratic supporters of the ACA who oppose a universal healthcare plan ignore the additional twenty new Obama taxes that were levied to pay for the program. These included surtaxes on investment income, Medicare taxes from those earning over \$200,000, taxes on tanning services, an excise tax on medical equipment, and a 40 percent tax on health

coverage for costs over the designated cap that applied to flexible savings and health savings accounts. The entire ACA was reckless, sloppy and unnecessarily complicated from the start. And the people who suffered most from the covert economic details, yet were mandated by law to purchase private insurance, were those who just missed the poverty line cutoff.

The fact that Obamacare further strengthened the distinctions between two parallel systems — federal and private — with entirely different economic structures created a labyrinth of red tape, rules, and wasteful bureaucracy. Since the ACA went into effect, over 150 new boards, agencies and programs have had to be established to monitor its 2,700 pages of gibberish. A federal single-payer system would easily eliminate this bureaucracy and waste.

A medical New Deal to establish universal healthcare coverage is a decisive step in the correct direction. The energy behind the younger generation of Democrat legislators is admirable, but we question whether they possess the wisdom to address the fullness of our health crisis. We must look at the crisis holistically and in a systemic way. Simply shuffling private insurance into a federal Medicare-for-all or buy-in program, funded by taxing the wealthiest of citizens, may only reduce costs temporarily. It will not curtail nor slash escalating rates of disease. Any effective healthcare reform must also tackle the underlying reasons for Americans' poor state of health. We cannot shy away from examining the social illnesses infecting our entire free-market capitalist culture and its addiction to deregulation. A viable healthcare model would have to structurally transform how the medical economy operates. Finally, a successful medical New Deal must honestly evaluate the best and most reliable scientific evidence in order to effectively redirect public health spending.

[For example](#), Dr. Ezekiel Emanuel, a former Obama healthcare adviser, observed that AIDS-HIV measures consume the most public health spending, even though the disease “ranked 75th on the list of diseases by personal health expenditures.” On the other hand, according to the American Medical Association, a large percentage of the nation's \$3.4 trillion healthcare spending goes towards treating preventable diseases, notably diabetes, common forms of heart disease, and back and neck pain conditions. In 2016, these three conditions were the most costly and accounted for approximately [\\$277 billion in spending](#). Earlier this year, the [CDC announced](#) that the autism rate is now 1 in 44 children, a 7 percent increase since 2016. In 2015, the economic burden of autism disorders was \$268 billion; it is expected to almost double to [\\$461 billion by 2025](#). There are no signs that this alarming trend will reverse and decline; and yet, our entire federal health system has failed to search honestly and conscientiously for the underlying causes of this epidemic. All explanations that might interfere with the pharmaceutical industry's unchecked growth, such as over-vaccination, are ignored and viciously discredited without any sound scientific evidence. Therefore, a proper medical New Deal will require a systemic overhaul and reform of our federal health agencies, especially the CDC and FDA. For any medical revolution to succeed in advancing universal healthcare, the plan must prioritize spending in a manner that serves public health and not private interests. It will also require reshuffling private corporate interests and their lobbyists to the sidelines, away from any strategic planning, in order to break up the private interests' control over federal agencies and its revolving door policies. Aside from those who benefit from this medical corruption, the overwhelming majority of Americans would agree with this criticism. However, there is a complete lack of national trust that our legislators, including the so-called progressives, would be willing to undertake such actions.

In addition, America's healthcare system, as well as the so-called Green New Deal, ignores

the single most critical initiative to reduce costs – that is, preventative efforts and programs instead of deregulation and closing loopholes designed to protect the drug and insurance industries' bottom line. Prevention can begin with banning toxic chemicals that are proven health hazards associated with current disease epidemics. This should be a no-brainer for any legislator who cares for public health. Unfortunately, unlike Europe, the US continues to permit numerous toxic chemicals, including many known carcinogens, to find their way into common everyday products. [For example](#), Stacy Malkan, co-founder of the Campaign for Safe Cosmetics, notes that “the policy approach in the US and Europe is dramatically different” when it comes to chemical allowances in cosmetic products. Whereas the EU has banned 1,328 toxic substances from the cosmetic industry alone, the US has banned only 11. [The US continues](#) to allow carcinogenic formaldehyde, petroleum, many parabens (an estrogen mimicker and endocrine hormone destroyer), the highly allergenic p-phenylenediamine or PBD, triclosan, which has been associated with the rise in antibiotic resistant bacteria, avobenzone, and many others to be used in cosmetics, sunscreens, shampoo and hair dyes.

Another reason Europeans are much healthier than Americans is because their governments take more immediate preventative measures to remove chemicals shown to pose serious health risks. The US can easily adopt this policy in order to reduce avoidable healthcare costs. Corporations should no longer be given a free pass to poison the population for nothing more than expediency and profit. There are no safe levels for any carcinogenic and hormone-disrupting chemical, and that applies across the board – for every healthy and sickly man, woman and child.

Next, the food Americans consume can be reevaluated for its health benefits. There should be no hesitation to tax the unhealthiest foods, such as commercial junk food, sodas and candy, products that contain ingredients proven to be toxic, and meat products laden with dangerous chemicals including growth hormones and antibiotics. The scientific evidence that the average American diet is contributing to rising disease trends is indisputable. We could also implement additional taxes on the public advertising of these demonstrably unhealthy products. All such tax revenue would accrue to a national universal health program to offset medical expenditures associated with the very illnesses linked to these products. Although such tax measures would help pay for a new medical New Deal, it may be combined with programs to educate the public about healthy nutrition if it is to produce a reduction in the most common preventable diseases. Taxing alone is not sufficient. The public will need to understand the reasons why their favorite junk foods are being taxed and the health risks they face by consuming them. Preventative health education should be mandatory throughout public school systems.

Measures to improve the quality of Americans' health demand a harsh reality check. Prior to the Covid-19 pandemic, the US spent \$3.4 trillion annually on healthcare. [After the first year](#) of the pandemic, healthcare spending rose over 9 percent to \$4.1 trillion. A question most of us might ask is how much of this \$4 trillion was complete, avoidable waste?

Private insurers force hospitals, clinics and private physicians into financial corners, and this is contributing to prodigious waste in money and resources. Annually, healthcare spending towards medical liability insurance costs tens of billions of dollars. In particular, this economic burden has taxed small clinics and physicians. It is well past the time that physician liability insurance is replaced with no-fault options. Today's doctors are spending an inordinate amount of money to protect themselves. Legions of liability and trial lawyers seek big paydays for themselves stemming from physician error. [Forbes reports](#) that the

cost of medical malpractice runs at about \$55 billion per year. This has created a culture of fear among doctors and hospitals, resulting in the overly cautious practice of defensive medicine, driving up costs and insurance premiums just to avoid lawsuits. Doctors are forced to order unnecessary tests and prescribe more medications and medical procedures just to cover their backsides. In 2017, \$200 billion was spent on unnecessary medical tests, compared to \$6.8 billion just 6 years earlier. The blowback has been a tragic rise in medical errors, patient injuries and deaths.

[According to a 2017 review](#) by Dr. Raj Gopalan, vice president of Innovation and Clinical Informatics at Wolters Kluwer, there are at least two million confirmed adverse drug reactions in the US every year, causing 100,000 deaths. These medication errors and complications add an additional \$136 billion to the US's annual healthcare bill. Furthermore, there is the loss of work and productivity due to medical error. The *Journal of Health Care Finance* estimates that every year, 10 million work days valued at approximately \$1.2 billion are lost due to measurable medical errors. The reality is likely worse. [An earlier analysis](#) by Loyola University Medical School estimated that the total economic impact across the board for all losses due to iatrogenic events and deaths is nearly \$1 trillion annually.

No-fault insurance is a common-sense plan that enables physicians to pursue their profession in a manner that will reduce iatrogenic injuries and costs. Individual cases requiring additional medical intervention and loss of income would still be compensated. This would generate huge savings. Reports indicate that the US is experiencing a severe shortage of doctors. The greatest shortages are in emergency medicine and general practice. This trend notably escalated during the pandemic. Too many medical school graduates are entering more financially lucrative medical specialties. We believe that all medical and nursing education should be free. From the time students graduate, they should receive an excellent living wage, even before proceeding to any specialty, without the specter of debt looming over their future.

No other nation suffers from the scourge of excessive drug price gouging like the US. After many years of haggling to lower prices and increase access to generic drugs, no substantial progress has been made. Even generic drug prices are now skyrocketing, according to a CBS News investigation. [A 60 Minutes feature](#) about the Affordable Care Act reported an “orgy of lobbying and backroom deals in which just about everyone with a stake in the \$3-trillion-a-year health industry came out ahead—except the taxpayers.” For example, *Life Extension* magazine reported that an antiviral cream (acyclovir), which had lost its patent protection, “was being sold to pharmacies for 7,500% over the active ingredient cost. [The active ingredient](#) (acyclovir) costs only 8 pennies, yet pharmacies are paying a generic maker \$600 for this drug and selling it to consumers for around \$700.” The active ingredient in the drug tretinoin costs 80 cents to the manufacturer, yet a full bottle costs \$1,100. Other examples include the antibiotic Doxycycline. The price per pill averages 7 cents to \$3.36 but has a 5,300 percent markup when it reaches the consumer. The antidepressant Clomipramine is marked up 3,780 percent, and the anti-hypertensive drug Captopril's markup is 2,850 percent. [And these are generic drugs!](#) These numbers reveal how bloated and rapacious the medical industrial complex is. Drug prices like these are another reason why the US has failed to successfully launch a national universal healthcare program for all.

Medication costs need to be dramatically cut to allow drug manufacturers a reasonable but not obscene profit margin. By capping profits approximately 100 percent above all costs, we would save our system hundreds of billions of dollars. Such a measure would also extirpate the growing corporate misdemeanors of pricing fraud, which forces patients to pay out-of-

pocket in order to make up for the costs insurers are unwilling to pay.

Likewise for exorbitant hospital costs. A one dollar bag of [intravenous saline](#) can cost up to \$546, plus an additional \$127 for administration. If given in a hospital ER, [a single aspirin pill](#) can cost \$30, six times the pharmacy's cost for a full bottle. [A Fox News report](#) discovered that a visit to the ER for a headache might bankrupt you with over a \$17,700 bill, or bilk you with a \$24,100 bill for a sprained ankle. Unfortunately, the private insurance industry permits this unchecked price-gouging, and hospitals simply take advantage of the medical services racket.

Regardless of its harsh corporate critics, a single-payer program is completely feasible and well within the nation's reach. [Dean Baker](#) at the Center for Economics and Policy Research states, "The government already pays for almost half of the nation's health care bill through Medicare, Medicaid, veterans' benefits and other public sector programs. Achieving Medicare for All would mean covering the other half of current expenses, along with the additional costs of paying for the uninsured and under-insured who are not getting the care they need."

Finally, we can acknowledge that our healthcare is fundamentally a despotic rationing system based upon high insurance costs vis-a-vis a toss of the dice to determine where a person sits on the economic ladder. For the past three decades it has contributed to inequality. The present insurance-based economic metrics cast millions of Americans out of coverage because private insurance costs are beyond their means. [Uwe Reinhardt](#), a Princeton University political economist, has called our system "brutal" because it "rations [people] out of the system." He defined rationing as "withholding something from someone that is beneficial." Discriminatory healthcare rationing now affects over 35 million people who have been priced out the system and left uninsured. They make too much to qualify for Medicare under Obamacare, yet earn far too little to afford private insurance costs and premiums. Out-of-pocket expenses for services insurers refuse to provide can also bankrupt a family. In the final analysis, the entire system is discriminatory and predatory.

However, we must be realistic. Almost every member of Congress has benefited from the flow of Big Pharma and private insurance money into their electoral campaign pockets. The only way to begin to bring our healthcare program up to the level of a truly developed nation is to remove the drug industry's rampant and unnecessary profiteering from the equation.

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